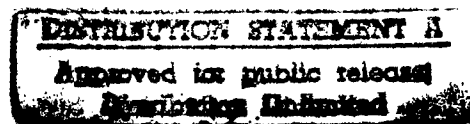


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JPRS Report

East Asia

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East Asia Southeast Asia

JPRS-SEA-92-022

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Writer Hails Hun Sen Leadership

93SE0009A Phnom Penh PRACHEACHON
in Cambodian 9 Sep 92 pp 1, 4

[Article by Siphana Sok: "A Special Report on Cambodia, a Leader With a Vision"; headline and part of text in English]

[Text] A brilliant and mature politician, Prime Minister Hun Sen is the youngest leader in the history of Cambodia. His leadership has been successful in gaining sympathy and support from the international community. Under the sponsorship of the Federation of American Scientists and Mr. Jeremy J. Stone, the chairman of the federation, Prime Minister Hun Sen was received with honor before a special session of the U.S Congress in Washington. Because of his special talent for speaking, he was honored by the U.S. Congress and the Bush Administration while on a private visit to the U.S. capital. His visit to this country was also to seek financing and technical cooperation for the development of [our] country.

THE WASHINGTON POST described him as "a young politician who represents the future of Cambodia." He received a warm and friendly reception from all levels of the Bush Administration and the private sector in the capital.

In France, Prince Sihanouk and Princess Monique Sihanouk received him as a high dignitary and [the prince] made a public announcement of his promotion to "my adopted son."

The chief executive officer of the [Farey] Corporation, the expert responsible for third world countries summed up his impressions of the young prime minister. "He is an intelligent person with great virtues and he is extremely skillful in matters concerning his people; [he] is logical and will do whatever he can for his people. For intelligent people only the sky is the limit.

SRV Ambassador Views Relations

93SE0005C Phnom Penh PRACHEACHON
in Cambodian 8 Sep 92 pp 1, 2

[Excerpts] Greetings to the respected Cambodian dignitaries and friends.

First of all, I would like to express my sincere thanks to the management of Cambodian Radio and Television for allowing me to give this speech on Cambodian television (and radio) to commemorate the 47th anniversary of the independence of the Socialist Republic of Vietnam on 2 August. [passage omitted]

Dear People of Cambodia:

Vietnam and Cambodia are two neighboring countries tightly linked to one another by long tradition, by close cooperation, and by unreserved support in the struggle to protect their nations' independence and secure peace

and prosperity for the people of these countries. In the past, throughout the brave struggle for independence to unite the motherland and in the present endeavor to build up the country, the Vietnamese people have always received encouragement and staunch support from their Cambodian brothers and sisters. On this occasion, I want to express my deep gratitude to Prince Norodom Sihanouk, your chief of state and chairman of the Supreme National Council, to the Cambodian Peoples' Party, to the State of Cambodia, and to all of the people of Cambodia for your aid and support.

Through many years of destructive war, the people of Vietnam and Cambodia all stubbornly worked for a strong, peaceful base on which to gather their strength and natural resources to build their countries and lead them out of poverty, to improve their people's material and spiritual standard of living, and to actively work together for peace, stability, friendship, and cooperation in the region and in the world. In spite of numerous difficulties and obstacles, the cause of peace and progress of our nations has prospered. And, more than at other times, relations improved in the first six months of 1992 when the State of Vietnam granted permits to a number of international companies to invest capital in 68 plans and to increase the total foreign investment in Vietnam to \$30 million. Economic, cultural, scientific, and technical relations between Vietnam and other countries have increased continuously.

Cultural and technical activities related to health care education have all been revamped to raise and improve the material and spiritual lives of both the urban and rural citizens.

The Seventh CPV [Communist Party of Vietnam] Party Congress approved of increasing foreign contacts; "Vietnam wishes to be friendly with all the countries in the international community to do everything possible for peace and progress." The establishment of foreign contacts, as we have noted above, must involve all the countries in the world community agreeing to provide broad support by creating systems which are beneficial to the development of our land. Side by side with that Vietnam has made things easier and has actively united in the joint undertaking of the nations for peace, national independence, cooperation, friendship, and progress. The role and prestige of the Socialist Republic of Vietnam have increased daily in the international arena.

Peace, friendship, and cooperation between the two countries are the most important qualities for bringing about the two nations' desired goals of peace and progress. An exceptionally useful result of the official friendship visit to Cambodia in January 1992 by Vietnamese Foreign Minister Nguyen Manh Kim at the invitation of Prince Norodom Sihanouk, chief of state and chairman of the Supreme National Council, an important key in relations between the countries and the two peoples, was the joint communique signed between Prince Norodom Sihanouk and H.E. Nguyen Manh Kim and which listed the basic goals which will lead to the

establishment of relations between Vietnam and Cambodia. This most useful result, mentioned above, has given us bright new hope for the establishment of neighborly relations in peace and friendship between the two countries and the two peoples in accordance with the desires of the two countries and the desires of peace-loving people throughout the world.

In the past as well as in the future, the Vietnamese people have and will respect the right to self-determination of the Cambodian people, support the revival of development of the country and nation, and support the goal of reconciling all the people of Cambodia. In signing the Paris Agreement they will respect and full implement their duty to this agreement and at the same time join with the international community and, united, push determinedly for the implementation of the Paris Agreement.

I would like to take this opportunity to express my heartfelt wishes that the Cambodian People under the leadership of your prince, the chief of state of Cambodia, win many victories in the cause of peace to reconcile the country and achieve a peaceful, independent, democratic, neutral, nonaligned, and friendly Cambodia with friendly Cambodia relations with all countries, especially with its neighbors.

General Pays Respects at SRV Embassy

*93SE0005A Phnom Penh PRACHEACHON
in Cambodian 4 Sep 92 pp 1, 2*

[Text] On the occasion of the 47th anniversary of Vietnamese National Independence Day, "2/9/45-2/9/92" organized by the Vietnamese People's Party to celebrate this wonderful day, on the morning of 2 September a representative from the Ministry of Defense, Major General Preap Tan, the deputy chief of the political directorate of the Cambodian People's Army, paid a friendly visit to the Vietnamese embassy in Cambodia.

There was great camaraderie, on this occasion, as Maj. Gen. Preap Tan carried the respects of the Cambodian People's Party and the whole Cambodian People's Army expressing their great happiness and deepest gratitude. In the past, by providing material and moral aid and the flesh and blood of her mothers for the Cambodian cause, elder sister Vietnam sent its children and husbands to do their duty for proletarian internationalism and liberate the Cambodian motherland from the great catastrophe of the past, to free it from the killing fields, and then brought them back to their motherland at the end of 1989. Even though it was responsible for guaranteeing the motherland by itself, the People's Army was still in control of the destiny of the nation. Maj. Gen. Preap Tan further stated that after that, Cambodia took a full step toward becoming a multiparty democracy following the path of national reunification according to the agreement of 23 October. Maj. Gen. Preap Tan made it clear that there were a number of parties, particularly the Khmer Rouge, which do not agree to abide by the agreement and have been violating it. Not only that, they

still have a narrow-minded and intolerant attitude towards our neighboring brothers and sisters and make irresponsible accusations that the Vietnamese Army is still in Cambodia while, to the contrary, they have no proof at all because the Vietnamese Army was withdrawn at the end of 1989.

Maj. Gen. Preap Tan emphasized that, "The words of the Khmer Rouge are most irresponsible and cowardly."

Mr. Tran Huy Chuong, ambassador extraordinary and plenipotentiary of Vietnam to Cambodia, expressed his deep gratitude for the attention given by the Cambodian People's Party, the people of Cambodia, and the Cambodian People's Army to facilitate his mission in every way. The ambassador also expressed his gratitude for Cambodia's valiant striving in the long search for peace with true justice and good will for their motherland, and, also, for the Cambodian factions temporarily demobilizing of some more of their troops.

Kampot Finances, Khmer Rouge Banditry

*93SE0005B Phnom Penh PRACHEACHON
in Cambodian 5 Sep 92 pp 2, 4*

[Excerpts] The car crawled into Kampot City. The rain continued to fall. Kampot is a province endowed with ranges of high mountains, with an abundance of forest resources and valuable timber which is a major source of income for the province. In the first six months of 1992, forestry accounted for 7,265,907 riels paid into the state treasury. But this income is very small compared with the enormous potential of the timber industry. Kampot Province extends along an extensive sea coast with an abundance of fish; in one year all these fish can satisfy the needs of the people within the province, outside the province, and can be exported to Thailand. Each year, an important source of income comes from marine products. For example, in the first six months of this year, the Kampot Maritime Products Organization paid into the state treasury 30,874,310 riels. In addition to this, the extensive sea coast is an area where tourist centers are concentrated, a famous area with natural beauty. People of all classes hear the name Kampot Province and immediately think of healthy, relaxing places with beautiful scenery like Kep, Bokor, and Popokvil which have a temperate climate the year round, and of the refreshing Tuk Chhu Waterfall all of which give the province a wonderful charm as an international tourist spot. Much income will flow into the province if it is well prepared with all the room and food services on an international level. Aside from this, Kampot has hundreds of salt fields providing salt for people throughout the country. This is a large source of income for the province of Kampot.

Furthermore, the sea is a major economic route for the import and export of goods from every country through Thailand and in the export from the province of maritime products such as shrimp, crabs, lobsters, and fish. This route is also a source of income for the province.

Mr. An He, first deputy chairman of the People's Committee of Kampot Province has made it clear that investment in the sea and forests of the province would be a major source of income. But in the past, the province has not been able to solve this problem so that it receives very little income and [now] the province is preparing to reinvestigate this matter in order to bring in more income to increase production in the province and raise the standard of living for the people in the province.

I had occasion to meet with an elderly woman who was a native of Kampot Province and she said, "The people of Kampot are not very concerned with fancy houses or competing with one another to change their cars and motorcycles, but they are very good at earning a living. If we look from the outside we cannot know that they are wealthy. But they have durian orchards, rambutan orchards, land at Kep City, fishing boats, transport boats, etc. In each season, just counting durian fruit, they can make a profit of many millions of riels. [passage omitted]

Then we continued our trip to Damnak Cangoeur in Prey Thom Sub-district where we met Sister Meas Hean who greeted us warmly and invited us into her house which has a large yard and was completely surrounded by vegetable and fruit gardens and cool ponds which she and her husband had dug in accordance with the Ph.S.K. [expansion unknown] Committee. She told us, "I have had a very happy life with my children for over 13 years. Although I farm more than one hectare which the state gave me, I take advantage of the time away from farming to make pastries to sell and my husband goes up into the mountains to look for timber. But, unfortunately, at the present time, if you cut timber or firewood, you get robbed and intimidated by the Khmer Rouge and my husband has had to stop his cutting of firewood. Every day I pray that the dreadful Khmer Rouge will vanish from our land because they are a constant source of worry for us."

The chief of communications for Kampot Province let us know that the province is paying close attention to the travel by the people into the back country and every year the province has repaired and built roads, but it is unable to protect them.

Sim Ka-led Meeting Backs Early Sihanouk Presidency

93SE0001A Phnom Penh KAMPUCHEA in Cambodian
28 Aug 92 p 1

[Unattributed article: "The People of Phnom Penh Support:

- "Elections to choose a president before the constituent assembly,
- "The candidacy of Prince Norodom Sihanouk as president or chief of the State of Cambodia".]

[Text] At 0800 on 25 August at the Phnom Penh Concert Hall, representatives of the intellectuals, students of all levels, cadre, employees, laborers, popular organizations, and citizens of Phnom Penh met together in great numbers to support a proposal by the State of Cambodia concerning the elections to choose a president or chief of the State of Cambodia before the elections to choose a constituent assembly.

This represents a new and different event in the political situation that shows the responsibility of the State of Cambodia toward the destiny of the nation and all the people of Cambodia. It should be noted that, on 22 August 1992, the State of Cambodia made a proposal calling for elections for the president or chief of state of Cambodia before the elections for a constituent assembly which are scheduled to be held next year.

Earlier, all four Cambodian factions had unanimously agreed to hold elections for a president at the same time as elections for a constituent assembly which will take place in 1993, but, after careful examination of conditions in the country, the State of Cambodia, one of the major factions, has made this proposal. Based on the historical experiences of our nation, especially during the years from the 1940s to the end of the 1960s (1941-1970) when Cambodia was united and [the people were] living happy lives under the royal leadership of Prince Norodom Sihanouk up to the present, when the prestige, patriotism, ability and knowledge of Prince Norodom Sihanouk still has the full support and trust of every class of Cambodian citizen.

Mr. Sim Ka, chairman of the party and head of the Phnom Penh People's Committee, who chaired this splendid meeting, reread the proposal to the meeting. One after another all the representatives of the intellectuals, popular organizations, and citizens of Phnom Penh moved to support the constructive and responsible proposal by the State of Cambodia. The meeting fully supported the candidacy of Prince Norodom Sihanouk as president or chief of the State of Cambodia in the elections.

The meeting ended the same morning with the conviction that: All the different Cambodian factions fully understand and truly agree on what the Cambodian people want and on the interests of the nation and the Cambodian people.

Foreign Currency Reserves Said To Be Increasing

92SE0011B Bangkok BANGKOK POST in English
30 Sep 92 p 17

[Article by Angus Macswan]

[Text] Down the street from Phnom Penh's swankiest massage parlor and right next to the Royal Palace is an ochre-walled compound.

There is no sign on the gate but it is no secret who lives there. Welcome to the new home of the Khmer Rouge.

About 20 officials of the infamous guerrilla organization stay inside. They have returned to Phnom Penh, a city they once emptied at gunpoint, under the terms of the Paris Peace Accords signed a year ago to end 13 years of civil war.

A squatter community was evicted from the site so the compound could be built and local people say much of the work was done by Vietnamese tradesmen, which is ironic as the Khmer Rouge advocates the ethnic cleansing of Vietnamese immigrants.

A flower garden is in full bloom and there are two brick buildings, clean, tidy and with all modern conveniences, if a bit spartan.

One has offices, the other has reception rooms and sleeping quarters. There are also some wooden huts.

A reporter wandering around sees two Alsatian dogs in a bamboo cage resting up during the day, presumably preparing for a busy night patrolling.

A Khmer Rouge official puts a quick end to the reporter's unsupervised wanderings.

It is a secluded life and the people who live in the compound have rarely ventured out since moving there in May.

"Only for shopping," says Chhuon Skhorn, chatting on a veranda.

Would it be dangerous for them to walk about the city?

"For myself, no. For Khieu Samphan, maybe," said another official, Chey Meas, referring to the Khmer Rouge leader.

Chey Meas left his wife and two young children at the Khmer Rouge's border headquarters of Pailin, near Thailand.

Asked if he felt frustrated at not getting out to restaurants or perhaps the massage parlour up the road, he said: "No, this is a beautiful house."

Evening doesn't sound like a lot of fun.

The television set and the video player haven't arrived yet. The Khmer Rouge officials here spend their nights monitoring radio news—The British Broadcasting Corporation, Voice of America, Phnom Penh government radio and their own clandestine broadcasts.

"We have a lot of work to do," said Chhuon Sikhorn, who says he spent most of the war on the Thai-Cambodian border.

Occasionally they have a few beers.

Khmer Rouge fashion these days is mostly blue or grey polyester safari suits.

The Khmer Rouge now invite journalists to weekly briefings—a remarkable move for such a secretive organization. Those attending are greeted by smiling officials, photographed and filmed.

The briefings are not always enlightening.

Officials regurgitate long-standing political positions in dogmatic terms and often have trouble giving straight answers to even the simplest questions.

"What is your first name?" a stand-in briefing officer was recently asked.

"Just 'Mister' is good enough," he said.

Usually the briefings are conducted by Kor Bun Heng, a bespectacled man with a bristling haircut. He says he spent most of the past decade in New York.

Recently he chided a reporter who used the name "Khmer Rouge" to describe his group. This is actually a nickname bestowed on them years ago by Prince Norodom Sihanouk.

"I speak for the Party of Democratic Kampuchea," he said.

Security around the compound is relaxed—a government policeman sits outside but there are no troops from the UN peace-keeping force.

A taxi driver, asked how he felt about having them back in town, said: "Some people say Khieu Samphan is okay, but I don't understand how they can be living here and still fighting in the countryside."

Atmospherics of Khmer Rouge Presence, Compound
93SE0011A Bangkok BANGKOK POST in English
13 Oct 92 p 4

[Text] Cambodia's economy is in a mess, with food prices shooting up and few people willing to trust their savings to banks, according to key indicators released by the United Nations yesterday.

But there were some positive signs—particularly the increase in foreign-currency deposits, largely as a result of the burst of prosperity generated by the huge UN peace-keeping mission.

Consumer prices in the capital had risen 130% since the beginning of the year, a spokesman for the UN Transitional Authority in Cambodia [UNTAC] said.

Inflation for July alone stood at 22.59% and the price of food has increased 158% this year.

A foreign businessman said the figures probably painted an incomplete picture.

"We all know it is a mess," he said. "When you look at it on paper, it seems that the whole place should grind to a halt.

"But the wealth may be there. Things aren't done here like in other countries. There is so much trading going on here that is not showing up in the official system."

The figures were provided by the National Bank of Cambodia, and compiled by the economics section of UNTAC which is presiding over the transition to peace.

The amount of cash in circulation, excluding foreign currency, grew by 50% this year, indicating that the government was printing more banknotes. Of the total money supply, 86% was in circulation.

There has been a substantial rise in foreign-currency deposits. "This is undoubtedly associated with the presence of UNTAC," the spokesman said.

The US dollar is now freely used in Phnom Penh. Many hotels, bars and shops catering mainly for foreigners prefer it to the fast-devaluing riel.

UNTAC alone has brought more than 20,000 soldiers and civilians into the country. The daily allowance of thousands of the UN staff is more than \$150, similar to what the average Cambodian can expect to earn in a year.

Economic sources say much of this money is siphoned out of Cambodia.

The businessmen said government foreign reserves were increasing, which meant it would be able to continue to pay for imports.

However, this money was not earned, and until Cambodia had items to sell abroad, the situation would not radically change.

Although the figures indicate an economy in dire straits, there is frenetic business activity here.

Foreign banks, traders, property developers and other concerns seek opportunities following the signing of an accord last October to end 13 years of war.

Article Cites Problem of Returning Refugees

93SE0001B Phnom Penh KAMPUCHEA in Cambodian
28 Aug 92 p 2

[Text] Up to the present time, the problem of the 400,000 Cambodian refugees who are returning to their native homes has become another new burden for the Cambodian People's Party and the government of the State of Cambodia which is personally responsible. Although there are some opinions which consider this problem to be a result of the agreement to receive aid from the major international organizations of the United Nations, in reality, it is clearly a problem linked to the

residence of all the refugees and it has fallen to the government of the State of Cambodia which is responsible for nearly all of them.

It is true that their change of residence did not lead to an escape from the difficulty in any way whatsoever and their difficulties in living increased as they awaited some one to take care of them; now they have to work to take care of themselves.

But, the point which is worrisome is when the Cambodian People's Party and the government of the State of Cambodia, which are receiving aid from international organizations, have to deal with solving the problem of the homecoming refugees without any resource. There are a number of political parties which have been gaining some benefit from these Cambodian refugees for more than a decade and now seem to be washing their hands of any responsibility for the fate of the refugees and which have begun planting seeds to humiliate and criticize the people's party and the State of Cambodia saying that [they] have caused the problem to appear again.

Now, we will attempt to discuss briefly the reasons for the Cambodian refugee problem.

We recognize that the huge number of refugees greatly increased in 1979 and for one or two years afterwards. This was the time when the various camps along the border opened wide their doors as sources of food and resettlement in the third country. In the country there were many problems; security was not yet guaranteed; the problem of daily living became difficult; the threat of starvation became very real because when they were liberated we had nothing [for them]. It can be correctly concluded that the Cambodian refugee problem does not result from restrictions imposed by the central government, or from their own security, or from political repression. But it does come from a major problem—the standard of living and being fed up with the war, dreaming about the complete peace and high standard of living which they could have in a third country.

The confusion of a number of international agencies towards this problem is the main reason why a number of Cambodian people who, although they lived in peace, fled in a single accord to seek this way out because they wanted to seek good fortune and hospitality in a third country. This point goes along with the desire of a number of political parties which have portrayed themselves as patriotic, using the pretext to make statements against the Vietnamese, who came to liberate the Cambodian People's Party and the government of the State of Cambodia which have lead and governed the nation and people back to life. Therefore, as soon as the international organizations understand clearly about the refugee problem and that shipping them off to a third country must stop, the progress of the refugees will reach a higher level. Many refugees have fallen into a state of disappointment, that is to say "they cannot move forward; they cannot go back" and they have to live like a frog in a well. A number of political parties have used the

refugees for political, financial, and material support and by this means they reaped great benefits. The refugees have merely become an object which they have refined in order to serve their scheme to gain power.

It is obvious that all of these political parties have used the refugees for their benefit in order to gain international support for their policies and meaningless struggle. And, by this means they were able to cheat on a grand scale and get humanitarian aid for the refugees in order to strengthen their war-making, to fill their pockets, and to strengthen their party. In addition to this, the presence of this huge number of refugees has turned them into an "army stew" to serve their ambition. If there were no refugees, the greedy struggle for power by all these political parties would probably really be stuck or be completely ruined. So, for more than a decade, a number of political parties based along the Cambodian-Thai border have made huge profits, without investing any capital, from the exploitation of the refugees. Therefore they must bear the responsibility for this problem; they cannot evade the responsibility or use the opportunity to make propaganda and gain some

additional benefits by agitation or by downgrading the people's party and the government of the State of Cambodia.

Contrary to all those political parties, when the refugees returned to their native country, the Cambodian People's Party, the government of the State of Cambodia, and the people living in the country, as one big family, divided up the land to build houses and increased production. The state will solve all the difficulties and do anything to create a better life so that our brothers and sisters returning home will be able to live in comfort as they did in other countries.

The Cambodian People's Party always has the highest regard for our compatriots, not considering them this way or that way, because the main concern of the Cambodian People's Party are the people of Cambodia who have to live together in a single family. But, of all the things that we want, we want most that the [other] political parties recognize the truth about the refugees and not exaggerate this truth.

ECONOMIC

Japanese Deny Unfair Tariffs on Plywood

93SE0017A Jakarta *PELITA* in Indonesian 7 Oct 92
p 2

[Text] Jakarta (PELITA)—Rokuro Ishikawa, general chairman of the Japan Chamber of Commerce and Industry, stated that the Japanese Government has not imposed any discriminatory import tariffs on wood products from Indonesia.

"In practice, there are no differences in the tariffs set on imports from the various countries," he stated to the press in Jakarta on Tuesday [6 October] in connection with a series of visits to the ASEAN area by the Japan Chamber of Commerce and Industry.

Sotion Ardjanggi, general chairman of the Indonesian KADIN [Chamber of Commerce and Industry], and officers A. Baramuli and Soy Martua Pardede welcomed Ishikawa and 40 other delegation members.

"Import tariffs on wood products from Indonesia are no different from tariffs on the same products from other countries. The Japanese Government divides import tariffs into several categories, such as those on plywood, softwood, and hardwood. Of course, the amounts of the these tariffs are different," he explained.

He reiterated that it is not true that tariffs are different for different countries, such as Indonesia and the North American countries. Import tariffs on wood range from 10 to 15 percent, and no difference is made in the way they are imposed.

He acknowledged that plywood imports from Indonesia remain large, because Indonesia's plywood prices are very competitive with those of other countries. He hoped, however, that the Indonesian and Japanese people will note that tariff reductions are expected to be main subjects in the Uruguay Round talks.

Recession

Ishikawa said further that the recession now hitting Japan affects the desires of Japanese businessmen to invest in Indonesia and other countries. Nevertheless, because Japan's economy is in reality not very bad off, Japanese investments overseas, including Indonesia, can still be expected to increase.

Touching on Indonesia's deregulation policies, he felt the steps taken by the Indonesian Government are consistent and very appropriate. "I am sure investment regulations will still present obstacles, but the Indonesian Government has reduced the problems through deregulation and debureaucratization," he stated.

A staff member at the Japanese Embassy said that although the investment climate in Indonesia is relatively good, there are still bureaucratic obstacles. He felt

the recent reduction in commitments of Japanese investments to Indonesia has been entirely because of Japan's declining economy, but both the government and the private sector are constantly conducting analysis to determine the very best places for investments.

Soy Martua said the Japanese economic mission's visit lasted from 3 to 6 October.

Joint Trade With Japan Increases Annually

92SE0026B Jakarta *KOMPAS* in Indonesian
13 Oct 92 p 5

[Text] In the last three years the value of the Indonesian balance of payments with Japan has continued to increase at an annual rate of 14.38 percent. This increase has been dominated by three areas of trade: manufacturing, agriculture, and mining products.

Anwar Wabab, the Head of the Agricultural Products Marketing Development Center of the BPEN [National Export Development Board], made this statement at a ceremony held in Jakarta yesterday to welcome the trade mission from Miyazaki Prefecture, Japan, to Indonesia.

Anwar Wabab said that in 1989 the value of Indonesia's nonoil and gas exports to Japan reached \$9.3 billion (about 18 trillion rupiahs). A year later the value of Indonesia's 1991 nonoil and gas exports to Japan had risen by about \$1.5 billion to a total of \$10.8 billion (about 20 trillion rupiahs).

Exports of manufactured commodities contributed the largest amount, 69.4 percent, to this total. Agricultural commodities were next, amounting to 20.9 percent of the total figure, and the remaining 9.7 percent was mining products.

Exports to Japan have thus far included: manufactured products—plywood, ready-made clothing, various wood products, and shoes; agricultural commodities—fish, coffee, tea, and chocolate; and mining products—nickel, copper, and aluminum.

"Indonesia still has a trade surplus with Japan. If commodity exports can be increased even more, the surplus will be even bigger," said Anwar Wahab.

The government is continuing its efforts to bring Indonesian and Japanese businessmen closer together. This is being done through a variety of domestic and foreign trade promotions.

Miyazaki is the first of two Japanese trade missions to visit Indonesia, said Anwar Wabab. The Japan Junior Chamber, Inc.-Tokyo [as published] will also visit Indonesia on 22 October 1992. All of this reflects the fact that Japan is paying a lot of attention to efforts to increase access to trade between the two nations.

Reaction To NAFTA Cited

92SE0026A Jakarta KOMPAS in Indonesian 13 Oct 92
pp 1, 11

[Text] Indonesia must be ready to confront the North American Free Trade Agreement (NAFTA) by doing all of its homework and by achieving a real understanding of NAFTA. Up to now, some groups in Indonesia have tended to express their fears even though they do not really understand what NAFTA is all about.

This statement was made by Dr. Dorodjatun Kuntjoro-Jakti, an economic observer acting as moderator at a seminar on NAFTA organized by the Association of the Joint Spinning Industry Sector (Sekbertal), which was held in Jakarta yesterday. On this occasion, Minister of Industry Hartarto said in his opening address that Indonesian industry is ready to welcome NAFTA.

Speakers at Indonesia's first seminar on NAFTA were: Robert L. Barry, U.S. ambassador to Indonesia; Alberto Campillo, Mexican ambassador to Indonesia; and David Hutton, charge d'Affaires at the Canadian Embassy in Indonesia. Participants were: Marzuki Darusman, S.H. [Master of Laws], an observer of international affairs; Mari Pangestu, an economist at the Centre for Strategic and International Studies (CSIS); Dr. Djisman Simandjuntak, executive director of the Prasetya Mulya Management Institute; and Dr. Erwin Ramedhan, an observer of foreign politics and economics.

Overreaction

Dorodjatun said that these discussions led to the impression that ASEAN had not done its homework on the challenges that it is confronting. This can be seen from ASEAN's overreaction to some matters about which in fact it need not be concerned. "ASEAN should do all of its homework and conduct a thorough study of NAFTA documents. Our understanding up to this point has just reached a level of abstract understanding. Every association of producers should hold a seminar such as this one for all the commodities which are exported in large quantities to NAFTA countries and which they feel are threatened.

"In that way, our reactions won't be limited to the way we are reacting now. The facts are all in that 2000-page book which we have never studied. It is the task of all parties concerned to study it, and that includes the government, the private sector and the universities," he said.

Dorodjatun said that these documents, which took 28 months to research and were intensively discussed over the last six months, are within the strict legal context of the three member states, in accordance with their respective legal traditions. "ASEAN's panic stems more from the region's tradition of consensus or mutual agreement, one which is not accustomed to a lot of details," he added.

Mexico Is Not a Threat

Erwin said that the concern shown up to now stems more from a lack of understanding of the economic domain. NAFTA did not close its markets, which is what non-member states are worried about. "On the contrary, Mexico's national markets, which had been anti-U.S. and had practiced a closed and centralized economy, have opened up. The same is true for countries pulled along in Mexico's wake, such as Argentina, Chile and other Latin American countries," he said.

Erwin also believes that Indonesia has been too quick to place itself on the same level as Mexico. Indonesia is basically worried that Mexico will threaten its access to U.S. and Canadian markets. "If we take certain criteria into account, Mexico is actually ready to confront those Asia-Pacific countries which are known as economic tigers. It is not confronting Indonesia.

"Don't forget that Mexico's per capita GDP [Gross Domestic Product] is almost \$3000. This means that it is competing with the Newly Industrialized Countries (NICs)," he said. Erwin said that Indonesia should stay out of this three-way trade war between Europe, America and Asia. He thinks that the best position to take is for Indonesia to defend its own interests.

Indonesia's main concern involves the rules of origin, which regulate the local content of goods entering the United States. The United States stipulates a minimum of 50 percent local content; this is considered too restrictive when compared with AFTA's (ASEAN Free Trade Agreement) stipulations of only 40 percent. However, Dorodjatun said that those stipulations are really no problem for Indonesia. Most of the raw materials for important Indonesian export commodities, i.e., garments and textiles, are imported from the United States. "It would be different if we were involved in the areas of electronics and automobiles," he said.

Diversion of Investments

Another fear caused by the formation of AFTA is the diversion of investments from Asia to NAFTA. Robert Barry, U.S. ambassador, said that this fear is groundless. Economists in the U.S. Trade Mission estimate that Mexico is able to absorb only \$3 billion of direct foreign investments per year. This means that the flow of investments to Indonesia will not be interrupted. Estimates are that there will continue to be a flow of investments to Asia, especially with its comparative advantage in the areas of the triple-T, transportation, telecommunications and tourism.

The three ambassadors from the NAFTA member states said that they are convinced that NAFTA will not endanger opportunities for market access by nonmember states. NAFTA will be beneficial not only for its three member states but also for its trading partners.

Furthermore, Mexico's ambassador, Alberto Campillo believes that NAFTA is a breakthrough in the impasse

reached by GATT. In fact, he believes that NAFTA is compatible with GATT because all of NAFTA's principles are also contained within or are not in conflict with the General Agreement on Tariffs and Trade (GATT).

Dorodjatun said that in fact he has the impression that the NAFTA block is a kind of exercise on the part of the United States while it is waiting for the completion of negotiations on GATT, by inserting certain elements studied by GATT into a narrower domain.

Basically, however, Dorodjatun has concluded that AFTA, the APEC session in Bangkok some time ago, NAFTA, and the European Community are in principle headed toward the formation of freer trade. "This is not a fast process which will be completed in five or six years; we have to be optimistic for as long as 15 years. What we are pursuing is freer trade, not free trade."

In connection with that, Mari Pangestu said that Indonesia should study those issues that concern the deregulation of trade. NAFTA is not really an effort at economic integration, but is more of an effort to deregulate trade among those three countries.

Optimistic

Minister of Industry Hartarto and Junior Minister for Trade Soedradjad Djiwandono in separate statements also said that they were optimistic about Indonesia's ability to confront the challenges of NAFTA. "This is an important statement and one which must be emphasized," said Dorodjatun. Soedradjad said that this would be carried out through increases in production and in the competitive power of the products produced.

U.S. Ambassador Robert Barry also stated his conviction that the United States will continue to be the most liberal regime in terms of trade and that the formation of NAFTA will not change its policies toward nonmember states. He said that NAFTA is not a trade block or a customs union and has not set up a special mechanism for coordinating joint trade policies toward nonmember states.

This is shown by the fact that there will be no increase in import duties on products from nonmember states. This means that Indonesian exports to the U.S. market will continue to enjoy the same treatment and duties as before NAFTA was formed. At the moment, imports into the United States are assessed an average duty of four percent. Barry also asserted that the United States will not change its policies on existing trade, such as the GSP [Generalized System of Preferences] program.

On that basis, Barry stated his conviction that NAFTA will benefit not only its three member states but its trading partners as well because it will break through the impasse reached in the Uruguay Round negotiations. In that way, it is a breakthrough in global trade, in which efforts will be made to minimize trade restrictions as much as possible. "Just as all ships are raised at high tide," he said.

"The U.S. Government, and I am convinced the governments of Mexico and Canada as well, is committed to present the NAFTA agreements to GATT's board for consideration. My government will try to do this as quickly as possible," he said.

As for the fear that Mexico, as a member state, will get special treatment and will claim the market share formerly held by Indonesia, especially for rubber products, textiles, and garments, Barry explained U.S.-Mexican trade structure in detail. Up to now U.S. imports from Mexico have only been a little above half a percent of U.S. GDP. There remains a large market share for other countries.

In addition, at the present time more than half of Mexico's exports to the U.S. are free of import duties, so that NAFTA will have little effect when it is implemented. Besides that, Barry noted that Indonesian producers have thus far been able to compete in the U.S. market.

Indonesia's concern, according to Dorodjatun, is also premature because the NAFTA documents which have been signed by the trade ministers still have to be approved by the presidents of the three countries and ratified by their respective parliaments.

Mexico's ambassador, Alberto Campillo said that it is possible that even after the agreement is declared in effect on 1 January 1994 it will take a long time to complete the internal procedures needed within each country. This long transition period will enable all parties concerned to make adjustments to their trade patterns.

Problems Facing Industrialists

92SE0030B Jakarta *PELITA* in Indonesian
2 Oct 92 p 2

[Text] As AFTA (ASEAN Free Trade Area) is about to be put into effect, most Indonesian industrialists are still having problems increasing their capitalization. This stems from the fact that bank interest rates are still relatively high and the banks themselves are still unwilling to provide credit, especially for middle and small businesses.

Soekardjo Hardjosoewirjo, SH [Master of Laws], general chairman of the KADIN JAYA [Greater Jakarta Chamber of Commerce and Industry], made this statement to the press in his office yesterday, after comparing business conditions of Indonesian industries with those in other ASEAN countries.

From 13 to 24 September, KADIN JAYA led a trade mission to cities in a number of ASEAN countries, specifically to Brunei Darussalam, Manila, Selangor, and Singapore. There were 29 participants in KADIN JAYA's trade mission; they represented sectors of the BUMN [State-Owned Companies], the private sector and cooperatives.

Soekardjo said that interest rates charged by Indonesian banks are relatively higher than those in other ASEAN countries. At the present time, average Indonesian interest rates are still above 20 percent; in the other ASEAN countries the rates are below 15 percent.

This situation makes industrialists unwilling to increase their capitalization by borrowing from banks. On the other hand, banks also think twice before granting credit, especially to medium or small businesses, because they are afraid that they will turn into nonproducing loans.

Evidence for this, said Soekardjo, is that many banks do not heed government regulations that banks are obliged to grant 20 percent of their loans in the form of KUK (Small-business Credits) to medium and small businesses.

Such capitalization problems, said the chairman of KADIN JAYA, will make it difficult for Indonesian industrialists to develop their businesses. "If this monetary problem is not overcome soon, it will be difficult for our industries to compete in the ASEAN free market," he asserted.

Low Efficiency

Soekardjo said that as they welcome the arrival of AFTA, Indonesian industrialists must also pay close attention to the low level of efficiency of their enterprises. Indonesian workers are relatively low paid; but if efficiency is also low, it will be difficult for Indonesian products to compete on the international market because prices for Indonesian products will be relatively high.

Efforts to increase efficiency should be directed not only at those involved in the enterprises but should also be supported by government policies, especially those designed to create a climate conducive to business.

Soekardjo Hardjosoewirjo explained that a free market demands competitive prices. If they are going to compete in AFTA, Indonesian industrialists must all increase the efficiency of their enterprises.

"In order for Indonesian business to compete in the ASEAN free market, attention must be paid to three areas: increasing capitalization, the efficiency of our enterprises, and government policies to create a climate conducive to business," the chairman of KADIN JAYA asserted.

To Create a Similarity of Perceptions

Drs H Rainal Rais, deputy general chairman of KADIN JAYA, also said that one of the goals of KADIN JAYA's trade missions to other ASEAN countries was to create a similarity of perceptions among fellow industrialists in the ASEAN states. This is needed if we are to confront non-ASEAN trade blocks, such as the North American states (NAFTA) and the European Common Market.

Rainal said that without this similarity of perceptions, ASEAN business would be slashed to pieces by the

economic power of the non-ASEAN countries which have formed those trade blocks. "We are aware of that threat, and solutions to the problem were discussed when KADIN JAYA's trade missions met with industrialists in other ASEAN countries," he stated.

The deputy general chairman of KADIN JAYA went on to say that agreement had been reached on investment cooperation among ASEAN industrialists. This investment cooperation means that any existing business opportunities should be used for mutual advantage in order to decrease the threat from powerful non-ASEAN nations.

Comments on Prospects, Preparations for AFTA

93SE0013A Jakarta MERDEKA in Indonesian
12 Oct 92 pp 4, 11

[Article by BPH Tambunan]

[Text] In an effort to anticipate possible future worsening of international economic and trade conditions, especially as a result of the formation of the European Economic Community (EEC) and the North American Free Trade Area (NAFTA), access to which is considered closed to nonmembers, the members of the Association of Southeast Asian Nations (ASEAN), Indonesia, Malaysia, Singapore, Thailand, the Philippines, and Brunei-Darussalam, have been forced in turn to build an ASEAN Free Trade Area (AFTA).

Following a decision made at ASEAN's Fourth High-Level Conference (KTT IV ASEAN) held in Singapore at the end of January 1992, the implementation of AFTA will be accelerated beginning in January 1993. The EEC, which will be developed into the European Free Trade Area (EFTA), will effectively be in operation at the end of 1992 or the beginning of 1993. NAFTA, which was formed on 12 August 1992, may begin operating at the beginning of 1994, after the parliaments of its three member states, the United States, Canada, and Mexico, ratify their agreement.

In accordance with the rules of free international trade set by the General Agreement on Tariffs and Trade (GATT) and with objective economic conditions in ASEAN member states, which generally depend on nonoil and gas exports and on offshore capital investments, it is projected that access to AFTA will remain open to other countries. By granting the facilities called Common Effective Preferential Tariffs (CEPT), plans are that AFTA will be formed in two stages over the next 15 years. In the first stage, which will last until 2001, tariffs will be lowered to a maximum of about 20 percent. In the second stage, which will last until 2007, tariffs must be lowered again until they reach a maximum of about 5 percent.

At the present time, trade among ASEAN member states still utilizes the Preferential Trading Arrangements (PTA) facilities. These facilities basically consist of a lowering of import duties on certain goods, with certain

necessary conditions. Nevertheless, people feel that ASEAN's PTA have not yet, or have not sufficiently, been beneficial in increasing trade among ASEAN member states. Too many goods receiving these preferential facilities are unsalable in ASEAN member states, and there are too many similarities among saleable domestic products. Both factors make it difficult to transact business.

AFTA's Prospects

The formation of AFTA can be seen as a break-through in response to the behavior of the advanced industrial nations, which have tried to divide up the international economic and trade arena at the very moment that many of the developing countries are entering the free market system, which they have been advised to do since the 1980s. With the formation of AFTA, the ASEAN member states hope that the advanced industrial nations, which have orchestrated the development of the EEC and NAFTA, will no longer close off access by other nations, especially nonmember developing nations, to their integrated markets. In that way, international trade relations can be carried on multilaterally, without any tariff or nontariff obstacles, for mutual benefit and well-being, based on conditions of global interdependence. In addition, the intention is also that AFTA will increase opportunities for the development of primary, secondary, and tertiary industries in ASEAN member states. For that reason, ASEAN member states, especially Indonesia, should take various strategic and rational preparatory steps. Included are organization, production and marketing patterns, as well as science and technology (IPTEK). The result will be that the industrial sector will really be firmly established and guided in a concrete way.

It looks like AFTA, which first appeared in the form of the East Asia Economic Grouping (EAEG) and then became the East Asia Economic Caucus (EAEC), will face a series of serious challenges. In fact, AFTA is not that different from the EEC and NAFTA, from the point of view of the size of their markets. AFTA's market contains 338 million people; the EEC, including EFTA, contains 378 million people; and NAFTA contains 357 million people. However, we must remember that from the point of view of Gross National Product (GNP) there is a striking gap between the AFTA member states on the one hand and the EEC member states, including EFTA, and NAFTA on the other hand.

According to statistics quoted in a work entitled Japan and an East Asian Trading Block, the per capita GNP in the EEC states, including EFTA, has reached \$14,000 per year. The figure for NAFTA is \$17,000 per year. On the other hand, the per capita GNP for AFTA member states has only reached \$678 per year, and that only because it is pushed up by the \$10,000-per-year per capita GNP of Singaporeans. This per capita GNP gap will clearly hinder AFTA member states from increasing their industrial sector's production if they depend only on the market within AFTA. As was mentioned above, it

is believed that access to EEC and NAFTA markets will be closed to other nations. Even if the markets of these two blocks remain open to other, nonmember, nations, it will certainly have to be with some forms of protectionist restrictions. The problem is that the protectionism of the advanced industrial nations is nothing new. If we look into it, it turns out that United States trade policies, for example, have become more protectionist since the 1970s, though that superpower always implements these policies with lots of rhetoric. Increasing protectionism is more and more disturbing because it is packaged in a nontariff policy which is harmful to the exports of their trading partner states.

And that's not all. AFTA member states are in general still rather dependent on capital investments and science and technology from the advanced industrialized nations which have joined together in the EEC and NAFTA, and which, together with Japan and even the Newly Industrialized Countries (NICs), such as South Korea, Taiwan, and Hongkong, limit the ability of AFTA's industries to develop. By the same token, restructuring their industrial equipment will be difficult. Another result is that some of AFTA's member states will find it hard to continue to broaden or to diversify the types of industrial goods they produce, especially those needed for export. It is the opposite for advanced industrialized nations. Thanks to the strength of their capital and their scientific and technological superiority, the advanced industrialized nations which have joined together in the EEC and in NAFTA manage from time to time to develop their industries and to coordinate the quality of their industrial production with the needs and demands of the international market place, especially the market in the developing nations.

Not Solid Yet

It must be admitted that up to now Indonesia has taken the right steps to fight for the formation of a free, open, and fair multilateral international trade system for all participants. However, as a nation which since the middle of the 1980s has depended on its nonoil and gas exports to be the engine behind its economy and its national development, Indonesia should accelerate the repair of its economic strategies and infrastructure, especially as it looks forward to the era of free trade. These play an important role in strengthening the competitiveness of nonoil and gas exports and in expediting foreign trade. The fact is that solid preparations have not yet been made for these factors; the result is that Indonesia might not be able to compete in AFTA, much less in the EEC and NAFTA.

The evidence for this statement includes the fact that since the ASEAN member states reached an agreement in KTT IV ASEAN to form AFTA, Indonesia has only rolled out a single package of deregulation policies. This is the 6 July 1992 package of real-sector deregulation policies known as the July 1992 Package. The trouble is that even though it is intended to limit price distortions and to provide an impetus to industry to improve the

competitiveness of its industrial production through efficiency measures, it turns out that the July 1992 Package does not clearly and directly cover various goods which receive CEPT facilities. On the contrary, the other AFTA member states, such as Malaysia and Thailand, had already cut import duties on their industrial production to a maximum of 20 percent in accordance with CEPT facilities. Thanks to preparatory steps taken by these two nations, Malaysia has even gone so far as to propose cutting import duties on 3,717 types of industrial products and 295 types of agricultural commodities to a maximum of 5 percent when AFTA goes into effect at the beginning of next year. In addition, Thailand has asked that the timetable for implementing AFTA be shortened from the agreed on time to only 12 years.

The spearhead that Indonesia must depend on to win the competition in the free trade arenas of NAFTA, the EEC and NAFTA, is the absolute necessity of preparing a strategy for developing its industries so that Indonesian industry, at some point in the future, will not only be more efficient but will also be able to specialize in the production of certain highly-competitive goods. In addition to launching packages of deregulation packages, it is also important that Indonesia create a conducive atmosphere which can potentially impel Indonesian industries to compete with each other domestically before facing the struggle in the much tighter AFTA, EEC and NAFTA markets. For this reason, every protective policy which has been seen up to now as favoring only a certain group of industries should just be "buried." Maintaining policies of this sort will also hit the overall economy so that it will no longer be competitive. To build a competitive overall national economy, industry in particular must be free of all forms of protection and distortion. At the very least, protection and distortions must be reduced as much as possible. In addition, industry must always be given the impetus to be as precise as possible about the allocation of various economic factors and about comparative and competitive superiority.

In this connection, Indonesia must also reexamine the export strategy that it has followed up to now. In this context, there must be a reselection of those Indonesian industrial goods which have been given the priority of meeting nonoil and gas export objectives. The objective and impartial steps that must be taken are intended to guarantee that all goods produced by Indonesian industries in order to meet nonoil and gas export objectives are really highly competitive and able to fight it out in every free trade arena. Some of the goods produced by Indonesian industry which have been included in the class of nonoil and gas requirements but which have turned out to be weakly competitive should be "seeded" [in English] and then suggestions made for their improvement, for example, by revamping the pattern of production or, if necessary, restructuring the equipment used in that industry. In connection with that, paying attention to those areas of science and technology, such as managerial engineering, technological engineering,

and manufacturing technology, which are especially needed to raise the competitiveness of our products, cannot be neglected. The same is true for capital investment.

The most important goal in repairing the economic infrastructure should be providing for and increasing the quantity of the means of transporting nonoil and gas export goods to their markets. The fact is that the means of transportation for Indonesian nonoil and gas export goods are not only still minimal or nonexistent but they also cost too much. In any case, the burden of this high cost will have a negative effect on the competitive ability of various Indonesian nonoil and gas export goods. If the transportation problem is not solved as quickly as possible, Indonesia might be squeezed in the middle of that highly-competitive trade arena.

Indonesia Incorporated

To get the best advantage from the political and economic configurations which have experienced [illegible] from the growth of economic and trade blocks, the entire business world, especially the Indonesian business world, should always be creative in anticipating what is ahead. This means that the Indonesian business world must be able to work efficiently and professionally to produce goods for nonoil and gas exports and for the domestic market.

We must continue to develop the spirit of Indonesia Incorporated, which was proclaimed by Minister of Trade Dr. Arifin M. Siregar, in order to grasp the opportunities opened up by AFTA, and by the EEC and NAFTA, if access to those two free trade blocks is still open to other nations. On the other hand, concrete and optimal efforts to strengthen the domestic economy should not be neglected. As a nation which has encouraged the creation of a free, open, and fair multilateral international trade system, especially by being involved in AFTA, Indonesia must "open wide" its markets to expansion and penetration by other nations. If Indonesian goods get confined to their own "stable," the consequences for the development of Indonesian industry can be imagined. To carry out this intention, Indonesian industry should emphasize the use of domestic content in producing goods needed for the local market. Under this approach, Indonesian industry will not only join in helping to develop the domestic raw-materials and auxiliary-materials processing sector but will also reduce the need for foreign exchange allocations to pay for nonoil and gas imports. This, in turn, will make for a healthier balance of payments through our transaction balances. (The writer is an observer and columnist on economic and trade problems).

Foreign Workers Still Permitted

93SE0018A Jakarta *PELITA* in Indonesian 14 Oct 92
p 2

[Text] Jakarta (*PELITA*)—Although the government is still giving foreign workers an opportunity to work in

Indonesia, primarily to hold jobs Indonesian personnel are unable to handle, foreigners are permitted to serve only as company managers (if they are stockholders), professionals, technicians, supervisors, and operators.

Minister of Manpower Cosmas Batubara said this to the press Tuesday [13 October] after reporting on the foreign worker issue to President Suharto at the president's executive office. "The number of foreigners working as operators is declining, and most foreign workers are technicians, supervisors, and professionals," he said.

In connection with the foreign worker issue, the government is giving attention to improving training so that positions now held by foreigners can gradually be taken over by Indonesians. The government is making efforts and setting targets for an Indonesian training program to fill these jobs.

The president hopes steps will be taken to improve the quality of Indonesian workers so that the time will come when they can fill jobs always held by foreigners.

The minister of manpower cited numbers of foreign workers by year: 18,066 in 1984, 18,703 in 1985, 19,200 in 1986, 19,153 in 1987, 12,908 in 1988, 16,623 in 1989, 29,141 in 1990, 28,831 in 1991, and 19,684 in 1992.

In 1992, the greatest number, 3,073, come from the United States. There are 1,331 from Australia, 1,400 from the United Kingdom, and 1,800 from Japan. Viewed by sector, there are 3,387 in forestry and fisheries; 5,196 in mining and quarrying; 3,210 in processing industries; 1,296 in construction; and 1,737 in big business, retailing, restaurants, and hotels. The number in finance, particularly the capital market, is still to be examined.

Demonstrations

Cosmas also reported to the president on demonstrations that have occurred in several places. Cosmas said the demonstrations expressed worker demands for implementation of existing regulations, such as those on the minimum wage.

The minister noted that in all of the cases in the Jakarta, Bogor, Tangerang, and Bekasi area, worker demands were related to the enforcement of such regulations. All cases were resolved quickly after a meeting was held with company managers, Department of Manpower officials, and local government representatives.

"This means that the companies actually could pay wages prescribed in the regulations, and it is inappropriate that demonstrations had to occur first," the minister said.

Because the biggest demonstration occurred in the garment and shoe manufacturing sectors, the government is going to give more attention and emphasis to those sectors.

In response to the report, the president asked that publicity be given promptly to the minimum wage. Businesses are then to be given time for preparation, so that when the minimum wage is implemented there will be no problems.

Cosmas Batubara also reported on preparations for presentation of family planning awards at companies. Family planning programs have been in effect at companies throughout Indonesia since 1986 for enhancing worker productivity and improving their welfare.

President Suharto is to present awards in Semarang on 24 September. Companies, both private and state-owned, receiving family planning program awards are divided into several categories: companies employing 25-100 workers; those with 100-300 workers; those with 300-1,000 workers; those with 1,000-5,000 workers; and those employing more than 5,000 workers.

At the same time, tokens of appreciation for zero accidents will be presented to companies in Central Java: PT [Limited Company] Primatex, 19 million man-hours; PT Dwipratex, 12 million man-hours; PERTAMINA [National Oil and Natural Gas Company] Unit IV, 11 million man-hours; PT Nusantara Cement, 5 million man-hours; Rama Bina Tani, 1 million man-hours; and Mangala Puri Sakti, 420,000 man-hours.

It was also reported that November has been declared Quality and Productivity Month. During the month, discussions will be held on efforts to improve worker productivity. The president is expected to inaugurate these activities at the beginning of November.

Little Work Done on Oil, Gas in Timor Gap

93SE0017B Jakarta *PELITA* in Indonesian 14 Oct 92
p 2

[Text] Surabaya (ANTARA)—Oil and natural gas reserves in Eastern Indonesia have not been fully worked, Suyitno Patmosukismo, director general of oil and natural gas of the Department of Mining, said Monday [12 October] in Jakarta.

Of the 14 blocks in the Timor Gap, only one has been drilled, and the results will not be seen until next year, he said in a seminar entitled "Offshore Engineering," held in Surabaya by the Surabaya Technology Institute (ITS).

He said it takes six to seven years and no small expense to drill one offshore block. "For this purpose we invite the private sector to work with the government survey areas that may have oil reserve potential, especially in Eastern Indonesia," Suyitno said.

At present, Indonesia has reserves of 84.5 billion barrels of oil in 60 basins.

List of National Assembly Candidates

*BK1911134392 Vientiane PASASON in Lao 14 Nov 92
pp 1, 2*

[Announcement of the National Election Committee on the list of candidates standing for election to the 3d National Assembly; dated 13 November 1992]

[Text] With reference to the Constitution of the Lao People's Democratic Republic [LPDR], Articles 6 and 10 of the Law on the Election of Members of the National Assembly, the requirements of the restructuring of the political system in our country, the recommendations made by party and state organizations and central- and regional-level mass organizations, and the voluntary proposals made by a number of Lao citizens, the National-Level Election Committee has gathered the names of all candidates standing in the election to the Third National Assembly and would like to announce them as follows:

I. The total number of candidates standing in the election is 154.

Eighty-five of them will be elected as members of the Third National Assembly.

The candidates standing in the election are divided into central, regional, and gender categories as follows:

Thirty-four of them, 22.07 percent of the total number, are from the central level;

One hundred twenty, or 77.92 percent, are from respective local areas;

Sixteen, or 10.38 percent of them, are women.

Of the total number of candidates, 108 persons, or 70.12 percent, are ethnic lowland Lao; 29 persons, or 18.83 percent, ethnic Lao Theung; and 17 persons, or 11.04 percent, ethnic Lao Soung.

Sixty-three of them, or 40.90 percent, are intellectuals and seven, or 4.54 percent, businessmen.

II. All the candidates have respectively applied to stand for the election in the following 18 constituencies:

1. Vientiane Municipality: Eleven out of the following 19 candidates standing in the election will be elected.

- (1) Mrs. Onchan Thammavong from the Central Committee of the Federation of Lao Women's Unions;
- (2) Singapo Sikhotchounlamani from the Sports Association;
- (3) Colonel Siboun Khounthongbang from the Provincial Party Committee;
- (4) Dr. Somphavan Inthavong from the Ministry of Economy, Planning, and Finance;
- (5) Dr. Siho Bannavong from the Vientiane Municipal Administrative Committee;
- (6) Khampong Soulinphoumi from the Municipal Education Service;
- (7) Tai Keolouangkhot from the Municipal Lao Front for National Construction;
- (8) Mrs. Sommai Vongnakhon from the Municipal Women's Union;

- (9) Colonel Phosai Saipan-gna (Oudon Saipan-gna) from the Interior Ministry;
 - (10) Thoumphon Bouli-gnaphon from the Lao Electricity Enterprise;
 - (11) Songroua Vangvongsai from the Municipal Irrigation Enterprise;
 - (12) Khamsai Soulinthon from the 2 December Cooperative;
 - (13) Bounthong Phommachan from the Municipal Youth Union Committee;
 - (14) Bounpheng Kaiyakit from the Chanthabouli District Youth Union Committee;
 - (15) Boualiphan Temmelat from the Hatsaifong District Administrative Committee;
 - (16) Bounchai Boutavong from the Saithani District Administrative Committee;
 - (17) Sisouphan Chanthalangsi from the Sikhottabong District Administrative Committee;
 - (18) Som Visaiyo from the Sisattanak District Administrative Committee;
 - (19) Dr. Si Boulommavong from the Municipal Public Health Service.
2. Phong Saly Province: Three out of the following six candidates will be elected.
- (1) Venthong Louangvilai from the party Central Committee Control and Inspection Board;
 - (2) Khamtan Keo-gnasen from the Provincial Party Committee;
 - (3) A-fou Laoli from the Provincial Youth Union Committee;
 - (4) Mrs. Onkeo Nakavong from the Provincial Trade Union;
 - (5) Sak Soulichai from the Economy, Planning, and Finance Service;
 - (6) Savang Laoli from the Provincial Trading Enterprise.
3. Luang Namtha Province: Three out of the following five candidates will be elected.
- (1) Khampan Philavong from the Central Committee of the Federation of Lao Trade Unions;
 - (2) Khamkeo Sinmisai from the Provincial Administrative Committee;
 - (3) Inpeng Inthongsai from the Provincial Lao Front for National Construction;
 - (4) Lieutenant Colonel Bounthong Thoulakham from the Provincial Public Security Command;
 - (5) Nouki Vasaiyi (Laolo) from the Provincial Social Welfare Service.
4. Oudomsai Province: Three out of the following six candidates will be elected.
- (1) Chaleun Yiapaoheu from the Supreme People's Assembly;
 - (2) Chansouk Bounpachit from the Provincial Administrative Committee;
 - (3) Khamman Liachitho from the Provincial Lao Front for National Construction;

- (4) Mrs. Keosavang Kittivong from the Provincial Trade Union;
 - (5) Lieutenant Colonel Inta Louangphachit from the Provincial Public Security Command;
 - (6) Siangphengsi Inthavong from the Provincial Education Service.
5. Bokeo Province: Two out of the following four candidates will be elected.
- (1) Bounthong Chitmani from the Party Central Committee Organizational Board;
 - (2) Lieutenant Colonel Vilai Soupalim from the Provincial Party Committee;
 - (3) Thongkhamsi Chateng from the Provincial Organizational Service;
 - (4) Bounthom Vannachomvan from the Provincial Trade Union.
6. Luang Prabang Province: Seven out of the following 12 candidates will be elected.
- (1) Phandouangchit Vongsa from the party Central Committee Propaganda and Training Board;
 - (2) Boun-gnang Vongphachan from the Provincial Party Committee;
 - (3) Souphanthaheuangsi Sisaleumsak from the Foreign Affairs Ministry;
 - (4) Mrs. Vanthong Phommali from the Provincial Women's Union;
 - (5) Bounthon Sengkhrammi from the 2 December University;
 - (6) Major Chanthi Souvannachak from the Provincial Military Command;
 - (7) Chanthavong Douangmala from the Chomphet District Administrative Committee;
 - (8) Khampheng Yengvu from the Provincial Public Health Service;
 - (9) Khamphai Sou-outhai from the Viangkham District Administrative Committee;
 - (10) Saiphet Khamphasit from the Provincial Trade Union;
 - (11) Faida Mengfayangchuachong from the Luang Prabang District Lao Front for National Construction;
 - (12) Thongsai Panyasit from the Teachers Training Institute of Luang Prabang Province.
7. Sayaboury Province: Three out of the following six candidates will be elected.
- (1) Bounthan Souvannasouk from the Central Committee of the Federation of Lao Trade Unions;
 - (2) Thong Laobeliaya from the Provincial Party Committee;
 - (3) Payoun Latmonti from the Paklai District Administrative Committee;
 - (4) Mrs. Sombat Onyotkeo from the Provincial Women's Union;
 - (5) Khamkeo Chanthasak from the Boten District Administrative Committee;
 - (6) Kongkham Latsavong from the Provincial Trade Union;
8. Houa Phan Province: Four out of the following seven candidates will be elected.
- (1) Maisouk Saisompheng from the Lao Front for National Construction Central Committee;
 - (2) Boun-gnong Sailichan from the Provincial Party Committee;
 - (3) Tongyeutho from the Houa Meuang District Administrative Committee;
 - (4) Bounthan Bounkhoun from the Sam Neua District Administrative Committee;
 - (5) Mrs. Somphon Lovaneko from the Provincial Women's Union;
 - (6) Bouason Thammali from the Viangthong District Administrative Committee;
 - (7) Vansai Bounmisai from the Provincial Organizational Service.
9. Xieng Khouang Province: Three out of the following six candidates will be elected.
- (1) Brigadier General Saisompheng Soulinavong from the Interior Ministry;
 - (2) La Singdala from the Provincial Administrative Committee;
 - (3) Lieutenant Colonel Vatouya (Sivon) from the Provincial Military Command;
 - (4) Mrs. Maivong Thephtilat from the Provincial Women's Union;
 - (5) Phonsamai Vongphachan from the Provincial Trade Union;
 - (6) Thitpheng Thongthimahasai from the Provincial Lao Front for National Construction.
10. Vientiane Province: Six out of the following 11 candidates will be elected.
- (1) Vongphet Saikueyachongtouna from the Lao Front for National Construction Central Committee;
 - (2) Khambeng Sinnavong from the Provincial Party Committee;
 - (3) Mrs. Bouavon from the Central Committee of the Federation of Lao Women's Unions;
 - (4) Khammi Sai-gnavong from the Provincial Propaganda and Training Service;
 - (5) Phetsakhon Louang-aphai from the Lao People's Revolutionary Youth Union Central Committee;
 - (6) Donsi Payeuvu from the Hom District Administrative Committee;
 - (7) Mrs. Vongkham Southammavong from the Provincial Women's Union;
 - (8) Somkham Phommachan from the Hom District Administrative Committee;
 - (9) Loumkham Vongsai from a private enterprise;
 - (10) Yuat Phanthavong from the Provincial Lao Front for National Construction;
 - (11) Simmali Phanthanalai from the Provincial Communications and Transport Service.

11. Bolikhamsai Province: Three out of the following six candidates will be elected.
 - (1) Bouasi Lovansai from the Ministry of Communications, Transport, Posts, and Construction;
 - (2) Bounhong Khounphasai from the Provincial Party Committee;
 - (3) Chiayang Laovuchongteng from the Organizational Service of Bolikhan District;
 - (4) Mrs. Korsi from the Provincial Trade Union;
 - (5) Bounma Bouchaleun from the Provincial Propaganda and Training Service;
 - (6) Khamphan Litthidampha from the Provincial Youth Union Committee.
12. Khammouane Province: Five out of the following nine candidates will be elected.
 - (1) Noupbat Chounlamani from the Lao Front for National Construction Central Committee;
 - (2) Khen Phalivong from the Provincial Party Committee;
 - (3) Saman Souvannasao from the office of the Supreme People's Assembly;
 - (4) Mrs. Sima Phongsavat from the Provincial Women's Union;
 - (5) Visai Sengdouangdi from the Hinboun District Administrative Committee;
 - (6) Siphon Saliboun from the Se Bangfai District Administrative Committee;
 - (7) Saikham Phouangvilai from the Provincial Education Service;
 - (8) Khambai Damlat from the Provincial Trade Union;
 - (9) Bounthong from the Provincial Organizational Service.
13. Savannakhet Province: Thirteen out of 19 candidates will be elected.
 - (1) Khamphong Phanvongsa from the Lao People's Revolutionary Youth Union Central Committee;
 - (2) Khammeng Sisoulat from the Provincial Party Committee;
 - (3) Professor Dr. Souli Nanthavong from the State Institute of Science and Technology;
 - (4) Professor Phou Latsaphon from the Ministry of Education;
 - (5) Viset Savengsuksa from the Lao People's Revolutionary Youth Union Central Committee;
 - (6) Bounkeut Kethongsa from the Songkhon District Administrative Committee;
 - (7) Keyoun Gnot-saiviboun from the Ministry of Justice;
 - (8) Sounthon Phaphithak from Saibouli District Administrative Committee;
 - (9) Sing Sai-gnabouali from the Atsaphangthong District Administrative Committee;
 - (10) Phanthoulat Amalathithada from the Provincial Lao Front for National Construction;
- (11) Mrs. Phouthon Phetsalat from the Provincial Women's Union;
- (12) Bountoum Detvongsa from the Provincial Economy, Planning, and Finance Service;
- (13) Major Kaison Khounlatsouvannavong from the Provincial Public Security Command;
- (14) Khonsavan Khounnalat from the office of the Provincial Administration;
- (15) Choummi Taikhitthisai from the Sepon District Administrative Committee;
- (16) Somboun Sonthikoumman from the Provincial Education Service;
- (17) Dammala Liapsidabout from the Provincial Youth Union Committee;
- (18) Thoumthala Thepphaiphon from the office of the Provincial Administration;
- (19) Vongsavan Soumphonphakdi from the Provincial Lao Front for National Construction.
14. Saravane Province: Four out of the following eight candidates will be elected.
 - (1) Paseut Sisanon from the Ministry of Information and Culture;
 - (2) Phosai Sihachak from the Provincial Party Committee;
 - (3) Khamkham Vongsai from the Khong Sedon District Administrative Committee;
 - (4) Khamsen Meuangmani from the Provincial Communications and Transport Service;
 - (5) Viangthong Inlaseng from the Provincial Youth Union Committee;
 - (6) Mrs. Boualit Chounthavong from the Provincial Women's Union;
 - (7) Thonglian Khanvonghan from the Lao Ngam District Administrative Committee;
 - (8) Tiangthong from the Sa-moi District Administrative Committee.
15. Champassak Province: Nine out of the following 17 candidates will be elected.
 - (1) Saman Vi-gnaket from the Central Committee of the Lao People's Revolutionary Party;
 - (2) Boualai Sisomvang from the Provincial Party Committee;
 - (3) Dr. Khamliang Phonsena from the Ministry of Social Welfare and the Lao Red Cross Organization;
 - (4) Chankham Thammanoun from the Provincial Administrative Committee;
 - (5) Noupeng Chanthasak from the Ministry of Education and Sports;
 - (6) Bounlap Gnoui-vanitsavong from the Provincial Lao Front for National Construction;
 - (7) Mani Heuangvongsa from the Provincial Lao Front for National Construction;
 - (8) Sisouk Sisombat, a private businessman;

- (9) Somphon Kha-gnongek from the Intermediate-level Vocational Training School;
 - (10) Bounthiam Thongkeo from the Office of the Provincial People's Council;
 - (11) Bounthan Patsaphan from the Provincial Administrative Committee;
 - (12) Khamhang Sihavong from the Education Service of Phonthong District;
 - (13) Savai Nakhavit from the Education Service of Pakse District;
 - (14) Oudon Khonsavan from the Lao Front for National Construction of Champassak District;
 - (15) Mrs. Thongsa Thippavong from the Provincial Youth Union Committee;
 - (16) Lieutenant Colonel Bountong Phommathep from the Military Command of Khong District;
 - (17) Bounpheum Phetphoumi from the Education Service of Bachiangchaleunsouk District.
16. Sekong Province: Two out of the following four candidates will be elected.
- (1) Khambou Sounisai from the Ministry of Public Health;
 - (2) Khamphong Phonchaleun from the Provincial Administrative Committee;
 - (3) Mrs. Bounpheng Boualapha from the Provincial Women's Union;
 - (4) Khamko Douan-alai from the Provincial Youth Union Committee.
17. Attapeu Province: Two out of the following four candidates will be elected.
- (1) Brigadier General Savai Sai-gnasena from the National Defense Ministry;
 - (2) Khamsian Sisoulat from the Provincial Administrative Committee;
 - (3) Sithat Inthivong from the Provincial Propaganda and Training Service;
 - (4) Bounsai Khammanivong from the Provincial Party Inspection and Control Committee.
18. The Sianghon-Hongsa Special Zone: Two out of the following five candidates will be elected.
- (1) Colonel Kensi Manivong from the National Defense Ministry;
 - (2) Sombat Yialiheu from the Special Zone Administrative Committee;
 - (3) Phom Mingbouppha from the Sianghon District Administrative Committee;
 - (4) Kham-oun from the Inspection Service of Sianghon District;
 - (5) Bounthiam Simeuang from the Hongsa District Administrative Committee.

[Dated] Vientiane, 13 November 1992

[Signed] The National Election Committee

NDF Says Insurgency Finished

92SE0369B Manila *DIYARYO FILIPINO* in Tagalog
3 Sep 92 pp 1,2

[Text] Last Tuesday, in the Netherlands, representatives of the government and of the Communist rebels agreed to hold formal peace negotiations with the underlying 'objective of achieving a just and lasting peace.'

After this, yesterday, President Fidel Ramos formally established the National Unification Commission (NUC), when he signed Executive Order No. 19.

Nevertheless, there is no date set yet for the formal discussions agreeable to Representative Jose Yap, on the side of the government, and to former priest Luis Jalandoni, on the side of the National Democratic Front (NDF), in order to have a framework for an agenda to end the 23-year insurgency.

Last night, the House of Representatives affirmed, on the third reading of resolution blg. 3, to give President Fidel Ramos the authority to grant amnesty to the 4,485 rebels under the Proclamation Acts No. 10 and 10A.

The resolution also includes the proposal of Ramos to establish the National Unification Commission (NUC) to provide the framework for a new amnesty program.

Included among the conditions are promises by the rebels to give up their weapons and to renounce violence.

On the other hand, Speaker Jose de Venecia points out the extreme necessity and timeliness of approving the amnesty initiatives.

According to Yap and Jalandoni, the negotiations can begin only when the committee composed of members of both sides would be able to have an agenda that would be approved by President Fidel Ramos and by the NDF leadership.

Topics included in the peace talks deal with hardships, violence, lack of social justice, all of which gave birth to the insurgency. Also to be discussed is a new society and the constitution.

Jalandoni feels hopeful that the NDF leadership will accept what has been agreed upon during the preliminary peace talks.

The delegates have agreed not to impose conditions on the other side that would block formal negotiations.

According to Yap, the government has not looked into the surrender of the rebels as a condition for the peace talks, and the said declaration is only the work of the media.

Meanwhile, Commissioner Haydee Yorac of the Commission on elections (Comelec) believes it would be better to hold the peace talks in the Philippines rather

than in the Netherlands, as proposed by Jose Maria Sison, leader of the Communist Party of the Philippines (CPP).

According to the Commissioner, she will first finish her administrative duties in the Comelec since spokesperson Christian Monsod is abroad. However, Secretary Franklin Drilon of the Department of Justice (DOJ) certified that "Yorac will accept the leadership of the Commission, 90% for sure."

Ramos also appointed to the NUC Senators Wigberto Tanada and Rodolfo Biazon, Representatives Yap and Eduardo Ermita, Drilon, Secretary Renato de Villa of the Department of National Defense (DND), Professor Feliciano Carino of the National Council of Churches in the Philippines (NCCP), and Bishop Teodoro Bacani of the Catholic Bishop Conference of the Philippines (CBCP). The last of all of these has not yet accepted the offer.

The president also formed an advisory board to be headed by ex-President Diosdado Macapagal, together with Bernabe 'Ka Dante' Buscayno, Jose Lava, well-known leader of the CPP-130, Luis Taruc, former chief of the Hukbalahap (National Liberation Army Against the Japanese), and Horacio 'Boy' Morales, former member of the National Youth Movement and currently head of the Philippine Rural Reconstruction Movement (PRRM).

Ocampo also insisted that peace could be effectively brought to fruition if the government resolves the foreign debt issue and institutes genuine agrarian reforms.

According to Ocampo, the above issues were responsible for prolonging the rebellion in the Philippines, and now it is time that they should be emphasized in the peace talks, instead of focussing on the amnesty.

Ocampo made it clear to a welcome party, followed by a news conference in the office of the task force detainees on N. Domingo Street in San Juan yesterday, that the movement and the organization of the people should continue with their struggle, because the popular issues, such as foreign debt, genuine land reforms, total war against the rebels, have not yet been responded to by the past and present administration.

The amnesty program of the Ramos administration is not a highly welcome announcement because there is also Executive Order 350, which states that the beneficiaries of this program are forced to submit applications, and are subject to conditions like the surrender of weapons, according to Ocampo.

Meanwhile, yesterday, the Department of Justice objected to the proposal of the NDF to hold the peace talks in another country.

In a news conference, Drilon stated that the government would not give in to any foreign forces influencing the peace talks launched by the administration towards the attainment of peace.

Drilon also made it clear that there is no need for a third party to intervene in the peace negotiations because this is purely an internal issue that only the Filipinos themselves can resolve.

Challenge for NPA Continue

92SE0369A *Minila DIYARYO FILIPINO in Tagalog*
4 Sep 92 pp 1, 2

[Text] The Communist rebels continue to wage war against the government forces despite the amnesty offer of President Fidel Ramos. Meanwhile, the Senate stresses that the process undertaken by the House strengthening the bill that would render null and void Republic Act 1700, or the Anti-Subversion Law, is a violation of the constitution.

Yesterday, Ramulo Kintanar, chief of the New People's Army (NPA), was released from the detention cell of the Intelligence and Security Group at Fort Bonifacio, Makati.

Kintanar came out of the detention cell at 1845, after having been bailed out on 206,000 pesos bond. He was met by his wife Gloria Jopson and Attorney Arno Sarida.

At a conference, Kintanar stated that he has also thought about the future Army that could will freedom. He said that he favored the announcement by Senator Rodolfo Biazon that amnesty talks should be set aside first and that peace negotiations should have priority.

In a news conference that was held attended by a few select reporters, Felipe Marcial, a delegate of the National Democratic Front, affirmed that the armed struggle of the the New People's Army would continue unless the military stops their offensive against the movement.

According to Marcial, the cessation of the struggle cannot be assured in anticipation of the long road to peace.

Marcial also stated that the cessation of offensives and armed hostilities would show only cowardice and treason against the NPA's principles.

He also proposed that the Ramos administration direct their attention towards freeing about 600 more political detainees.

Aside from this, the government must also look into the 'veins' of the rebellion that has lasted almost 23 years.

Two days ago, Secretary Franklin Drilon, of the Department of Justice, announced that the government has looked into the possibility of freeing more than 43 jailed political prisoners in order to render support to the peaceful negotiations about to begin.

The detainees currently in the National Jail in Muntinlupa submitted amnesty applications.

Meanwhile, Senator Arturo Tolentino announced that the process undertaken by the House strengthening the bill to reject RA 1700 or the Anti-Subversion Law is a violation of the constitution.

According to Tolentino, this measure is in direct conflict with the basic law because it is first necessary that Malacanang certify a bill before the Senate and the House can pass it.

Without this certification, the conference must be postponed for three days from the time of the passage of the bill until the second reading, before it can be approved in accordance with the constitution.

In this connection, Tolentino proposed that a lower-level conference should again look into it and vote on the bill in order to correct the process.

On the Senate side, the Assembly leadership is waiting for certification from the President before the third reading.

However, they can now continue the passage of the amendment to the bill because three days have passed since the Senate's approval of the second reading.

Paper Reports Terrorism in Manila Decreasing

92SE0369C *Manila DIYARYO FILIPINO in Tagalog*
31 Aug 92 pp 1, 2

[Text] The Communist rebels' plan to terrorize the entire Metro Manila area will not succeed, since they have been weakened, and they don't have enough people sufficient to spread trouble all over the place.

This was emphatically disclosed yesterday by Senator Rodolfo Biazon, assistant chief of the Senate National Defense Committee, as a sign that the plan of the New People's Army [NPA] to terrorize the Metro Manila area has been weakening.

However, according to the military intelligence report, the Alex Boncayao Brigade (ABB), the killing group of the NPA in the provinces, is active again.

According to the military, the ABB will hastily launch the recruitment of new people to be trained in an advanced partisan course related to the operation and system of the NPA.

It is also the ABB's objective to scare the people and force them to support the NPA.

But in his speech, Biazon stated that the ABB is only a small group of the national Communist Party of the Philippines, and not the entire force of the organization that will hastily launch an attack. Hence, the force is really weak.

According to the former chief of the Armed Forces of the Philippines (AFP), "there is nothing to it. The public should not be concerned about it. They cannot cause trouble in the entire Metro Manila area."

According to the former chief, the ABB can oppose the talks between the government and the rebel leaders in as much as they want to disrupt the process. Biazon also stated, "However, they will not succeed."

Likewise, Biazon said that the Ramos administration must act on the negotiations in order to counteract whatever the radical elements offer, so as to prevent them from hurting anyone, especially the civilians.

The Senator further stated, "Although they are weak, they can still implicate and can hurt, if they implement their plan, and hence we must be careful here so as to prevent the innocent from being harmed. We in the government are for the innocent."

Biazon hopes that all the rebels will widely accept the offer of the government for peace, and for the treaty, so that the Philippines will attain genuine peace and order.

POLITICAL

Chamlong Isolation; Banks' Political Allies

93SE0021A Bangkok KHAO PHISSET in Thai
25 Sep 92-1 Oct 92 pp 3-7

[Excerpts] [passage omitted] Even though the Moral Force Party has 47 MP's [member's of parliament] which is an increase of six, nevertheless it is felt that the party lost this time politically. It is not unusual for some political observers to say that "the defeat of the Moral Force Party is the victory of the Democrat Party."

The Democrat Party has 79 votes while the important allied parties, the New Aspiration Party and the Moral Force Party, clearly lost strength. The government under the leadership of Chuan Likphai has clearly made a breakthrough. General Chawalit Yongchaiyut and Major General Chamlong Simuang will finally be under the leadership of Chuan Likphai.

The victory of the Democrat Party is the defeat of the Moral Force Party. [passage omitted]

Politically they split into two factions. One faction was led by General Suchinda Khrapayun and the other by Major General Chamlong Simuang and General Chawalit Yongchaiyut. The two factions were about equal in strength. The result, it could be said, was that the two factions "lost together." General Suchinda lost first, and then in the election of 13 September the New Aspiration Party and the Moral Force Party followed.

Before the election the choice of the "middle of the road" by the Democrat Party was clearly the stronger position. Chuan Likphai and the Democrat party were the "choice" of many factions which did not want "the Moral Force or the New Aspiration." That is, they did not want the prime minister to be Major General Chamlong Simuang or General Chawalit Yongchaiyut. It did not matter if it was Chuan Likphai. [passage omitted]

The members of the Moral Force Party who were candidates throughout the country this last time encountered a uniform attitude especially in the countryside. They learned that although there were orders from the Department of Religion, clearly stated by the deputy director, that "priests were to be politically neutral," nevertheless many priests had deep personal feelings that the Moral Force Party was a branch of the Santi-osok Office, and this office was clearly in such conflict with the Mahathensamakhom [Society of Priests] that it was excommunicated. This case which is now in court is the reason why the abbots of many temples summoned the Moral Force Party candidates whom they knew and who had changed parties to the Moral Force Party and refused to support them this time.

This opposition happened on its own. It would be difficult to make the case that there was a "plan" or a "movement." However the extent of this automatic

opposition played a part in blocking the growth of the Moral Force Party more than it had in the past.

In the military the general mood could be judged without using any "poll." Major General Chamlong Simuang was a person with whom the military would not be comfortable if he became prime minister and General Chawalit was his deputy. Chuan Likphai was the best candidate for many officers especially since they were not able to vote for politicians of other parties whom they had previously supported. In addition the group which did not want Chamlong-Chawalit had grown rapidly in the last election especially among businessmen in general and some intellectuals.

The very close relationship between the Democrat Party and the Thai Farmers Bank, the Thai Commercial Bank, and big businesses such as Charoen Phokphan, which is a multinational corporation, clearly strengthened the Democrat Party especially when the party announced that it wanted to appoint "Tharin Nimmanmoen", an important member of the board of directors of the Thai Commercial Bank, to be Minister of Finance. There was a clear response in "the direction of many businessmen" toward the Democrat Party.

Who is Tharin? He is the chairman of the Banking Institute and a member of the leadership of two other institutions: the Chamber of Commerce and the Industry Institute. He has supported Anan Panyarachun for prime minister from the first, and he announced broadly that businessmen should support him and quickly get involved in politics. Behind the scenes in business circles he is known as "BMS."

When Akon Huntrakun joined the Moral Force Party and Olan Chaiyaprawat and Anan Atsawaphokhin campaigned for Akon, Tharin kept quiet in the realm of the Thai Commercial Bank. There was no doubt that his base of support was superior to that of such people as Olan and Anan. Sawit Phothiwihok, a member of this group, broke off and worked with the Democrat Party. It seemed as if he were "standing on two legs."

In the end it appeared that the support for the Moral Force Party was from "mid-sized business and small businessmen." At the same time the New Aspiration Party was close to Amnui Wirawan. The Democrat Party which was silent then was felt to have an alliance primarily with big business. In these parties there was an alliance of "businessmen who could not accept having Major General Chamlong or General Chawalit become Prime Minister." This provided an [opportunity] for the Democrat Party.

Nippon Phromphan was another important member who, it was said, was able to modify the "election" strategy of the Democrat Party so that it could receive the overwhelming support of those in uniform.

In addition the businessmen who supported the Democrat Party were the ones who were closely allied with Anan Panyarachun, the prime minister offensive to the

military. If one were to sort out the relationships people were trying to tie together involving Anan Panyarachun, Locksley, the Sarasin Group, and Chatrachai Bunyanan up to the Thai Farmers Bank and finally Tharin Nimmanmoem, one would have quite a knot of relationships.

Therefore if in addition to the groups which opposed Major General Chamlong and General Chawalit openly, the opposition to the Moral Force Party and the New Aspiration Party as a result of strategy were added in, this became the grand total for the Democrat Party, which was the "choice" for this group.

Major General Chamlong and General Chawalit might have an important role to play in the changes in power among a handful of officers especially in class five. But after the cruel events of May, the new situation does not allow these people to be heroes. It would not be very wrong to see them as "victims" of the situation. But actually it had to be this way. The Moral Force Party and the New Aspiration Party were too "hot" in the eyes of high-level businessmen and even intellectuals who wanted the nation to be "peaceful and quiet." The "needs" of these people could not be refused, namely, the defeat of the Moral Force Party and the New Aspiration Party. This was "automatic resistance" not unlike the feelings among priests and officers about these parties. [passage omitted]

There is something which helps to understand the economics and the business situation and that is the inter-relationships among Thai Airways, the Thai Oil Refinery, the opening of the polyester factory, the Lawalin project, the telecommunications project, the project for independent television etc. The economic behavior of the Anan government was generally governed by the principle, "economic freedom." But with the Thai economic and social structures, there was a question about "economic freedom" - "whose freedom" did it mean in the situation where many old structures overlapped.

It could be said that economic freedom in the government of Anan Panyarachun was generally shown by "the amount of conflict with big business" in Thailand including conflicts over multinational corporations, choices in "joint ventures" with American or Japanese businesses and conflicts with neighboring business such as in Singapore.

Therefore the "economic freedom" of the Anan government was a freedom which favored certain businesses which might have a "better" business image or the image of a business which had been started by a "real businessman."

This direction in administering business and the economy caused a conflict regarding businesses with proceeds in the 100 thousand and million baht range—that with high stakes such as these there needed to be "continuity in administration of the economy." [passage omitted]

The business group which gave the most vigorous support to the Democrat Party was the one close to Anan Panyarachun's group. For this reason Chuan Likphai's government will probably be pressured to "take the baton" from Anan's government in this matter. [passage omitted]

This hypothesis is based on the premise that the administration under the leadership of Chuan Likphai and the Democratic Party will continue in the same direction as the "navigation" under Anan Panyarachun. And if this happens it will clearly show "what movement" is behind the direction of this administration.

If this hypothesis is correct, one could almost say that the government under the leadership of Chuan Likphai will be one which is very stable not unlike the government of Prem Tinsulanon, which was in power for eight years. The only thing which will happen under the government of Chuan Likphai is the "overhaul of the cabinet." But this will certainly not involve the elimination of the opposition. [passage omitted]

Not long after the cruel events of May Major General Chamlong Simuang felt isolated even among the politicians of the Moral Force Party. He had a few people with him such as Chaiyawat Sinsuwong and Thamrong Senguriyachan, etc. And if he had not been willing to accept a position in this government, he would have been more isolated from the members of the Moral Force Party who had joined the government.

The divergence between "politics and moral conduct" is something which "cannot be bridged." While Major General Chamlong did receive the kindness of the [Buddhist] teacher, Yantra Omrophikkhu and Mr. Phutthasphikkhu, he will not be able to translate this into political strength. On the contrary he might have to turn his life more toward religion and end his political role in the future.

Major General Chamlong may not understand that the effect of the cruel events of May, when he bartered for blood, did not stay with him with regard to politics. The effect was that politics moved on in another direction. If he does not understand this he will be left in the sad position of "victim" or "bridge."

The situation of Major General Chamlong Simuang now is about the same as when General Suchinda Khraprayun announced his departure from his position as Prime Minister or when the "young turks" tasted defeat during the period from 1 to 3 April 1981. [passage omitted]

Weapons Smugglers Arrested Enroute to Chiang Rai

93SE0028A Bangkok DAO SIAM in Thai 28 Sep 92
pp 11, 15

[Excerpt] [passage omitted] At 1330 hours Police Colonel Sawaengdet Buachip, the Commander of Lampang Provincial Police Area 2 and Police Lieutenant

Colonel Niwat Tuanthet, an inspector for suppression in the provincial police station in Thoen District, led a force of police from the provincial police station in Thoen District to lie in wait to seize a red Nissan pickup, registration No. 6433 Tak, in front of the Kodaeng Shop in village 7, Lomret Subdistrict, Thoen District. The pickup was suspected [of involvement in a crime]. They had received a report from the provincial police station in Sop Prap District that they should seize the vehicle. They searched it and found a great many military weapons.

The two suspects arrested were Mr. Saman Mai-iam, 40, who lived at house No. 53, village 3, Huai Yang Subdistrict, Thap Sakae District, Prachuap Khiri Khan Province, and Mr. Anurak Mongkhonchakae, 25, who lived at house No. 21/38 on Ruamchai Lane, Mae Sot Subdistrict, Mae Sot District, Tak Province. They had been riding in the pickup mentioned.

Police Colonel Sawaengdet said of this arrest that the provincial police station in Thoen District, which was the headquarters of Provincial Police Area 2, had received a radio message from the provincial police station in Sop Prap District to stop the pickup mentioned which was suspected of evading inspection at the checkpoint in front of the police station at Sop Prap. Police Lieutenant Colonel Amnui Thep-hasdin na Ayut-thaya, an inspector for suppression, together with his group had signalled for the pickup to stop so that they could inspect it. It had driven from Thoen District and was headed for Ko Kha District and on to the town of Lampang. But when those in the pickup saw the checkpoint, they fled and hid in the area of the Shell gas station in Sop Prap District. Then they headed back toward Thoen District again to evade inspection. Police Lieutenant Colonel Amnui together with others tried to pursue and stop the pickup, and they radioed to the provincial police station in Thoen District for officials there to stop it.

The officials have now sent the suspects and the evidence to the duty officer at the provincial police station in Thoen District to investigate the purpose of the trade in military weapons. Initially it was assumed that the two suspects were taking these weapons to sell on the border in Chiang Rai Province.

The military weapons seized included 10 M-16 rifles, one type 203 M-16 rifle with grenade launcher, four AK-47 rifles, 23 M-67 hand grenades, 12 short M-16 magazines, 15 long M-16 magazines, 25 grenades to be used with launchers, 654 rounds of 5.50[mm] ammunition, 688 rounds of HK-47 ammunition, 165 rounds for M-79 grenade launchers, 13 R.P.G. launchers, four R.P.G. rounds, four flares, three HK-47 machineguns with [drum-type magazines], and 38 Red-Chinese rocket propelled grenade launchers with rockets. The total value of the military weapons seized was more than 1 million baht.

ECONOMIC

BOI Comments on Investing in Vietnam

93SE0027A Bangkok BAN MUANG in Thai 2 Oct 92
p 7

[Text] Mr. Sathaphon Kawitanon, the Secretary-general of the BOI [Board of Investment], said after returning from Vietnam that Vietnam was very excited about the prospect of foreign investment especially from Thailand. Thailand was to build a new industrial settlement. The old industrial settlement which Vietnam had was made up of old factories and was not modern. Therefore they wanted Thai investors to carry on in this area. The problem was that Vietnam still lacked the services of public utilities, which were very important for attracting foreigners to invest. And Vietnam needed industry for processing agricultural goods, industry for export, and a hotel industry. Previously the investment in Vietnam had all been done by government units; there had been no private sector involvement. The government itself wanted the country to have a free economy in order to stimulate greater development.

Mr. Sathaphon said that BOI had a role in this process in that it had set up a unit to take care of [the industrial settlement] in particular and look after Thai investors. It provided information and recommendations, and it met with various government units. In the future BOI will build a government-level relationship to increase its capability to provide information for investors. In this role it had taken many investors there from Thailand.

Mr. Ananwichai Thanasunthon, a member of the board of directors of the Thai Industrial Development Corporation, said that he felt the Vietnamese economy was opening up and many foreign investors were beginning to come. He thought that Thailand was still very slow in this. This corporation was involved in building an industrial settlement to serve various kinds of Thai industry which would come to do business. Labor in Vietnam was very inexpensive when compared with Thailand.

Mr. Ananwichai said that after he returned he would probably need to meet for discussions in order to establish clear principles and come up with recommendations for the private parties which would invest in Vietnam. He would have three institutions involved in these meetings: the Industrial Council, the Thai Chamber of Commerce, and the Banking Association. They would help with the government's policy of having Thailand become a center for investment in Indo-China.

Dr. Chaiyut Kansut, the chairman of the board of a corporation in the ItalThai Group, said that after visiting investments in Vietnam, he felt that these investments were appropriate for Thai investors because positive changes were being made in Vietnam. When they began five years ago investments were controlled a great deal and so they were not successful. About three to four years ago there were very few investors, and then there began to be changes. Using Thailand as an example more

freedom was allowed for investing and regulations were reduced while Vietnam provided the general direction for major projects such as drilling for oil. For small projects such as hotels and offices there was still insufficient regulation. They were hurrying to correct this. In summary it was clear that in three to four years Vietnam would develop rapidly and would certainly become an economic competitor for Thailand, Dr. Chaityut said.

Minister Says Vietnam, Laos To Be Trade Focus

93SE0012C Bangkok BANGKOK POST (BUSINESS POST) in English 13 Oct 92 p 17

[Text] Commerce Minister Uthai Pimchaichon says he will emphasize increasing trade with Indochina rather than follow previous governments' policies of targeting nations further afield.

The Government will seriously boost trade with Vietnam and Laos especially, he said.

Mr Uthai said Vietnamese Ambassador Nguyen Trung met him yesterday to discuss possibilities of establishing joint venture companies for rice exports or fisheries.

The ventures would be run by the private sector with both governments lending support.

Mr Uthai said the Thai and Vietnamese governments will cooperate in the rice trade as both sides had ratified a memorandum of understanding. The committee in charge is due to meet next month to discuss the rice trades.

Exporters Support Uthai Nomination at Commerce

93SE0008C Bangkok THAI RAT in Thai 23 Sep 92 p 7

[Text] Mr. Sukit Wangli, the president of the Thai Cassava Traders Association, talked about the appointment of Mr. Uthai Pimchaichon to the position of minister of commerce. He said that everyone feels that Mr. Uthai is an honest man, which is a good quality that is necessary for those who serve in the Ministry of Commerce. As for his economic capabilities, he said that he feels that the minister is responsible for setting policy only and that a person can use his common sense when making decisions. He doesn't have to have an in-depth knowledge about economics, because regular government officials will be there to provide advice.

"If he can find a wise adviser or secretary, he won't have any problem administering things. Mr. Uthai has held many important positions before. He has served as the president of parliament and as minister of justice. Thus, he is familiar with the administrative system. Administering the work of the commerce ministry shouldn't be that different." As for which problems the new minister should focus on, he said that agricultural products is one such problem. It does not look as if next year's prices will be very good because of the drop in world market prices and the drought problem.

Miss. Wani Bunpiam, the president of the Thai Vegetable and Fruit Exporters Association, said that it must be admitted that the people are afraid of the image of the politicians who will be appointed to ministerial positions, particularly economic ministries. But she doesn't think that Mr. Uthai is a politician who has taken this position in order to earn commissions or profit personally. She has confidence in the honesty of this government and thinks that this should make it possible for it to achieve results. We will have to wait and see. "A pressing problem is the price and quality of agricultural products. And they must change their attitude in order to keep up with the tricks of merchants."

Trade Chief Urges Lobbying Action on Copyright

93SE0008D Bangkok DAO SIAM in Thai 25 Sep 92 p 4

[Text] Mr. Prayun Thaloengsi, the managing director of the Thai Chamber of Commerce, said that at its regular monthly meeting, the executive committee of the Thai Chamber of Commerce passed a resolution to have foreign chambers of commerce in Thailand, which also belong to the Thai Chamber of Commerce, try and reach and understanding with the American Department of Commerce and the U.S. Trade Representative (U.S.T.R.). They should inform them that with respect to infringing on intellectual property rights, Thailand has already done a lot to solve this problem.

Mr. Prayun said that Thailand has already responded by revising the patent law to expand protection to include pharmaceutical products, which were not covered before. Thus, we have already given them a lot. If the United States uses the same measures to retaliate against Thailand, they will not be treating Thailand fairly. If they have to take action, they should use administrative measures rather than legal measures.

They want Thailand to revise the Patent Act so that pharmaceuticals that are not yet being sold in Thailand but that have registered patents abroad and that are being sold can have the formulas and patents registered in Thailand. But we can't do that, because we revised that law just recently. Before the United States considers taking action against Thailand on 11 October, it should weigh matters carefully before making a decision.

Besides this, those at the meeting also discussed the trade dispute between Thailand and the European Community concerning infringements on tape and video tape copyrights. A memorandum agreement has already been reached. A resolution was passed to ask the foreign chambers of commerce that are members of the European Community to help find a way to solve this problem. A memorandum explaining the facts will be prepared.

Mr. Prayun said that in negotiating these trade problems, the private sector has been provided with very little information. Sometimes, the only information provided has come from the press. Government officials should allow people in the private sector, particularly the Thai

Chamber of Commerce, to sit in on the negotiations. They could attend as observers. That would enable them to obtain accurate information that could be used to solve the problems. The problems that have arisen directly concern the business sector, and so people in this sector should be allowed to know what is happening in the negotiations.

Finance Civil Servants React to Tharin Appointment

93SE0008A Bangkok NAE0 NA (LOK THURAKIT SUPPLEMENT) in Thai 22 Sep 92 pp 7, 8

[Excerpt] [passage omitted] A news source in the Ministry of Finance talked with LOK THURAKIT NAE0 NA about the Democrat Party's decision to appoint Mr. Tharin Nimmanmoen, the managing director of the Thai Commerce Bank, to the position of minister of finance. He said that this is somewhat embarrassing, because Mr. Tharin is younger than some senior officials in the ministry. But there shouldn't be any problems in actual practice. And there shouldn't be any opposition to this as there was when rumor had it that Mr. Narong Sisa-an, the vice president of the board of directors of the Thai Farmers Bank, would be appointed minister of finance.

This is because the Ministry of Finance and the Bureau of the Crown Property hold shares in the Thai Commerce Bank, which can be thought of as a state bank. Even though Mr. Tharin will be the minister of finance, he won't be able to do anything that will specifically benefit the Thai Commerce Bank. This bank is already a very strong institution. And the national bank will continue to control the commercial banks in accord with the law.

The news source said that Mr. Tharin is not the type of person who will do anything in a "splashy" or distasteful manner. He is a knowledgeable and polite person who acts in a respectful manner when discussing things with senior people. If he is appointed minister of finance, he will probably treat Mr. Banthit Bunyapana, the under secretary of finance and a senior official in the ministry, with great respect.

"Actually, financial ministry officials are relieved that the Democrat Party has chosen a knowledgeable and talented person to serve as minister of finance. Because if a member of parliament [MP] who does not have any knowledge of financial, monetary, and economic matters had been appointed and administered things arbitrarily as in the past, finance officials would have been very upset."

The news source said that as for the two deputy ministers, even if MPs are appointed, that won't be a problem, because it is the minister who has the power to give orders. There have been reports that Mr. Nipphon Phromphan will be asked to serve another team as deputy minister of finance. He has held that position before and is knowledgeable about the Ministry of

Finance. It isn't known who the other deputy minister, who will come from the New Aspiration Party, will be.

In the past, Mr. Tharin was somewhat critical of the monetary and financial policies. If he is appointed minister, he will learn that you can't view things narrowly. He will have to look at things broadly and take a long-term view. And he won't be able to administer everything as he would like, because there are other factors that will have to be considered.

Mr. Tharin is very close to several people in the ministry, because he is in the same circle. This includes MR [royal title] Chattumongkhon Sonakun, the director-general of the Excise Department, who is on the board of the Thai Commerce Bank, and Mr. Niphat Phukkanasut, the director general of the Treasury Department. As for the national bank, he knows Mr. Ekkamon Siriwat, the secretary general of the Security and Exchange Commission. If Mr. Tharin resigns from the Thai Commerce Bank to become minister of finance, Mr. Olan Chaiyaprawat will take over his position as managing director.

Expert Continues Discussion of Information Technology

93SE0012B Bangkok BANGKOK POST (POST DATABASE) in English 30 Sep 92 p 1

[Text] Although Thailand's information technology (IT) industry is expected to have a bright future, policies directed towards promoting the local IT industry should not be aimed at mass manufacturing and production of high technology products, at least not in this decade, according to the President of the Association of Thai Computer Industry (ATCI) Manoo Ordeedolchest.

He reasoned that Thailand lacked a sufficient base of skilled IT personnel to support mass manufacturing and it would therefore be unable to compete globally if it attempted to set up mass manufacturing of high technology IT products.

Thailand should, however, continue to maintain its present strength in hardware assembly and integrated circuit or printed circuit board production, he said. Local industry should continue the transfer of technology in from other countries as it was not yet ready for vast scale local research and development, he added.

Manoo said that he foresaw a very bright future for the IT industry here because IT was necessary for economic and social development as well as education and was a strategic tool for competing in international trade and service.

However, he reiterated that in this decade Thailand should not attempt to mass produce locally-designed computer hardware or even computer software for export.

He said that Thailand's electronics and computer manufacturing industry was still relatively low-tech. Local manufacturers were mainly assembly plants with

research and development work being done outside Thailand, he added. Assembly here was viable because of low labor costs, he noted.

However, this did not mean that Thailand had no qualified persons, he said, adding that there were quite a few Thai IT experts, but the present number of experts would have to be increased some ten-fold to be able to support mass production of locally designed products.

The national Electronics and Computer Technology Center's (NECTEC) projects had shown the ability of Thais, but NECTEC could not create a manufacturing industry because it lacked sufficient computer personnel, he said.

"NECTEC does its best to encourage R&D in Thailand, but the scale is not big enough to support manufacturing," said Manoo.

He suggested that the Government should spend more on supporting education in information technology to produce more engineers. However, he noted that even if the Government restructured its educational scheme today, it would take more than ten years to meet the demand for skilled IT personnel.

He added that although the present hardware manufacturing industry was mainly an assembly industry, it was important for the Government to continue supporting it because it contributed to employment and promoted the technology transfer which kept the country in touch with the latest technology.

On the software side, Manoo suggested that more programmers should be made to develop software for local demand before thinking of exporting software.

He added that although some software applications were now being exported, this did not mean Thailand had inroads to the export software market. This market required mass production capabilities, which the local industry was still not ready for.

Manoo added that in addition to insufficient skilled software persons here, low fluency rates in English was another major obstacle stunting the country's software export potential. He noted that a software package for export required the program and manual to be in English, and there was a shortage of fluent English programmers and technical writers to make this possible on a large scale.

Computer Industry Specialists View Outlook

92SE0012A Bangkok BANGKOK POST (POST DATABASE) in English 14 Oct 92 p 1

[Text] Several industry experts and academics told POST DATABASE that the new Chuan Leekpai Government should clearly define plans for developing information technology (IT) and declare a national IT policy so that the private sector will know what to expect and where to invest.

"Information technology is necessary for economic and social development and is a strategic tool for competing in international trade and services, thus Thailand must adopt proper IT directions to cope with future technology advances," Association of Thai Computer Industry President Manoo Ordeedolchest said.

According to key industry players, the Government needed to play a greater role in setting up this direction. The Anand Panyarachun Government started to study a national IT policy, but was unable to complete the study and to set up clear directions due to the Government's interim term, Manoo noted.

Thus this Government should continue with that study and use it to define a national IT policy, Manoo added. IT growth faces several obstacles here. Industry experts consulted by POST DATABASE agreed that the shortage of skilled computer personnel topped the list.

Manoo recently added that Thailand would not be able to become a significant player in the international computer manufacturing industry if the shortage of engineers persisted because this type of industry required a large number of local experts.

The educational system here also needed to be adjusted so that graduates in areas of high demand were produced, noted Manoo. He said that there was now a strong demand for project managers and system engineers, but educational institutes here were producing mainly programmers and computer operators. A major problem was that the curricula offered was based on the institutes' resources rather than on what the market was demanding, he added.

IBM executive Pravit Chattalada said that in his opinion the Government should invest in research and development (R&D) in state-of-the-art IT that would benefit Thailand.

Such investment in R&D should be for commercially-viable projects, he added.

He noted that another problem contributing to the slow growth of IT here was that fresh IT graduates needed to be trained to be productive, and that this usually took many years.

Director of Advanced Research Co Ltd Dr Kanchit Malaivongs agreed with Manoo's statements that the Government did not have a specific direction for education.

He said that although many universities had their own computer centers, the Government did not provide any special privileges to support these centers. He noted that the Government should either exempt these institutes of import tax on hardware and textbooks or provide some other forms of assistance.

He added that the reduction of import tariffs on computer hardware had not alleviated other inconvenient

processes in importing equipment, and since the Government did not have a policy to promote computers, officials did not pay much attention to improving the system.

IT was not defined as part of a strategic plan to compete with other countries, said Dr Kanchit, adding that therefore there was no motivation to combine IT with other areas to create strategic products and services to compete globally.

Logging Deals With Khmer Rouge Described

93SE0008B Bangkok NAE0 NA (LOK THURAKIT SUPPLEMENT) in Thai 25 Sep 92 pp 7, 9

[Excerpt] [passage omitted] A news source from the Forest Industry Organization said that there is terrible news for those Thais who are carrying on logging operations in Cambodia. On 23 September, the Cambodian Supreme National Council (SNC) passed a resolution to halt the export of logs effective 31 December. This means the repeal of all logging concessions in Cambodia, which will have a great impact on Thailand's timber business.

The news source said that the Forest Industry Organization itself has a four-year timber concession in Cambodia for approximately 1 million cubic meters of timber. To date, only 100,000 cubic meters of timber have been brought out. But if Cambodia wants to stop logging operations, we will have to stop. We will have to step up our operations in order to bring out as many logs as possible before 31 December and should be able to come close to the limit.

"The reason why they have curtailed logging operations is that the SNC wants to solve the internal problems first and preserve Cambodia's timber resources. The concession of the Forest Industry Organization is a state-to-state concession. We should be able to bargain with them. Thus, the Forest Industry Organization is preparing to coordinate things with the SNC. Officials will probably go there to negotiate with them before the end of the year in order to ask that we be allowed to continue logging operations based on the concession."

The news source said that if the SNC wants to permanently stop the export of logs, the Forest Industry Organization is prepared to invest in building a sawmill in Cambodia in order to export finished lumber instead. Thais in the private sector who are serious will be asked if they want to invest. But the conditions for investing there will be set by the Cambodians.

"The present problems will definitely affect the demand for timber in Thailand. During the past four-five years, the demand for timber has increased greatly, but the government has not promoted afforestation seriously. It is afraid that financiers will grab too much of the forest area. It has focused on encouraging small farmers, with the result that few trees have been planted. I don't think that we will be able to end the timber shortage. The prices of all types of wood are increasing. In 1993, prices will probably rise another 10-20 percent."

In an interview, Mr. Khosit Panpiamrat, the acting minister of agriculture and cooperatives, said that Thailand's sawmills will definitely be affected. But he doesn't think that this will affect domestic demand for timber, because the SNC resolution only stops the export of logs. Milled lumber and other wood products can still be exported.

"The best solution for the sawmills is for them to plant forests for their own use or invest in building sawmills in other countries. From what I have observed abroad, other countries want private Thai companies to invest there."

A news source in Cambodian logging circles said that the Khmer Rouge granted logging concessions to private Thai companies in 1991. About 20 companies have been granted concessions along the border from Chanthaburi to Sisaket provinces. Each one has been granted a concession of at least 1 million cubic meters of timber. Some began to fell trees and bring out logs only recently, because border transit points were opened just recently, and we have been in the rainy season.

The news source said that now that Cambodia has passed this resolution, the Thai companies will have to step up operations and bring out as many logs as possible in the three months that remain. At present, it's impossible to determine how much money they will lose. The routes used to bring out the logs and the concession areas have problems with mines, and so it isn't known if they will be able to speed up operations very much.

POLITICAL

Draft Government Organization Law Discussed

932E0018C Ho Chi Minh City in Vietnamese SAIGON GIAI PHONG 25 Sep 92 pp 1, 2

[Article by V.K. and H.L.C.: "National Assembly Caucuses Enthusiastically Debate Government Organization Draft Law and Personnel"]

[Text] Yesterday (22 September), the third day of the first session of the Ninth National Assembly, the delegates of 25 caucuses enthusiastically debated the text and contents of the Draft Government Organization Law.

There were many opinions that the present draft law includes many improvements over the previous drafts. However, there were debates on many topics, such as how to achieve democratic centralism; the collective and individual roles, especially as regards the premier; and the relationships within the government, between the government and the other organs, and between the central government and the local administrations.

In the caucus discussions of the Ho Chi Minh City delegation, all delegates in attendance contributed opinions that profoundly analyzed the chapters, articles, and sections of the Government Organization Draft Law. Nearly all of the delegates agreed that it is necessary to concentrate authority in the people heading the administrative apparatus. Of course, that must be accompanied by sanctioning regulations. Delegates Pham Quang Du, Chu Pham Ngoc Son, Nguyen Minh Thanh, and Pham Pu recommended that in addition to such common standards as good moral quality, exemplariness in enforcing laws, and loyalty to the socialist homeland, it is necessary to stipulate specific standards for members of the government, including standards regarding specialized ability. Delegates Le Khac Binh, Truong Tan Sang, Vu Tuat Viet, Pham Phu, and Nguyen Thi Ngoc Phuong presented much evidence and agreed unanimously that some terms in the draft law are not in the language of a legal document. Every word and idea in a law must be precise. Vague terms that result in differing interpretations must not be used. Comrades Do Hoang Hai and Dinh Cong Hung recommended that Article 36 be struck out and incorporated into other articles with similar contents. Article 36 stipulates that the decisions of the government must be approved by a vote by more than half of the members of the government. In case of a tie, the opinion of the premier is decisive. Therefore, in some instances the premier will find it difficult to act.

Many other people expressed the opinion that in addition to the report of the Government Organization Law there must be a draft law plan, with an explanatory section concerning the goals, the general views, and analyses. It must include organizational charts and there must be a division of jurisdiction in activities. The clear delineation of the responsibilities and authority of the ministries was also debated very seethingly.

Delegates Truong My Hoa, Tran Du Lich, Nguyen Van Hanh, and Vu Tuat Viet recommended that the Government Organization Law clearly stipulate three kinds of relationships: that between the government and the other blocs in the political system (the state organs); that between the government and the people's mass organizations and the fatherland front; and that between the central government and the local administrations.

During the afternoon of the same day, the Ho Chi Minh City delegation expressed very spirited opinions about personnel. Many delegates requested the resolution of several questions regarding some people who were recommended to become members of the Government. All members of the delegation want to receive more complete, timelier information to help everyone have better understanding of personnel.

Meeting Held To Celebrate Resistance Anniversary

932E0018A Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 24 Sep 92 p 1

[Article by H.M. and P.Th.: "Solemn Meeting Commemorates the 47th Anniversary of Nam Bo Resistance"]

[Text] On the morning of 23 September 1992, at the Municipal Revolutionary Museum, the Fatherland Front Committee, the Veterans' Association, the Club of Former Resistance People, and the Municipal Retirees Club held a meeting to commemorate the 47th anniversary of the Nam Bo Resistance (23 September 1945 to 23 September 1992). Comrades Nguyen Van Linh, adviser to the party Central Committee; Truong Van Da, vice chairman of the Municipal People's Council; Trang Van Quy, vice chairman of the Municipal People's Committee; Ung Ngoc Ky, vice chairman of the Municipal Fatherland Front; and the old revolutionary cadres who participated in winning political power on 23 September 1945 in Saigon and participated in two resistance wars, and representatives of the Armed Forces, as well as large numbers of Municipal Youth League members, attended the meeting.

Major General To Ky, vice chairman of the Municipal Veterans' Association, reviewed the enthusiasm and developments in Saigon-Gia Dinh-Cho Lon on 23 September 1945. Under the leadership of the party, the various strata of people unanimously arose to oppose the aggressor troops and manifested the determined will of our people to win independence and freedom.

Speaking at the meeting, Comrade Nguyen Van Linh profoundly analyzed the new aggressor plots of the hostile forces against our country and said that now more than ever it is necessary to extol the spirit of revolutionary vigilance. He also stressed the importance of teaching the tradition, ideal, and responsibility of our population and youths in defending the homeland.

On behalf of the Municipal Communist Youth Union, Le Nhat Tan, a member of the standing committee of the Youth Union, expressed gratitude for the former generations and aged revolutionary cadres who sacrificed their entire lives to win independence and freedom for the homeland, and promised that the Municipal Youth Union will continually study revolutionary traditions in order to continue along the path of our fathers.

On the morning of 23 September 1992 the Former Female Political Prisoners organizing committee of the Nam Bo Women's Museum held the first meeting of female political prisoners and prisoners of war during the anti-French and anti-U.S. resistance wars. The more than 500 former female prisoners of war and prisoners of war from 12 provinces and municipalities in the South who attended the meeting reviewed the tradition of resolute, unyielding struggle by women, who overcame all hardships and dangers to maintain their loyalty to the party, the nation, and the people.

Chairman Nong Duc Manh Interviewed

932E0018B Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 24 Sep 92 p 1

[Interview of Nong Duc Manh, chairman of the National Assembly by SAIGON GIAI PHONG: "Along With the People, Resolve the Urgent Problems"]

[Text] At noon yesterday (23 September) Comrade Nong Duc Manh, after being elected Chairman of the Ninth National Assembly, granted SAIGON GIAI PHONG a brief interview on the urgent questions posed by the voters of Ho Chi Minh City and the nation as a whole. The contents of the interview follow:

[SAIGON GIAI PHONG] The role of the National Assembly, as stipulated by the 1992 Constitution, is very important. The speech by Comrade Do Muoi during the opening meeting of the first session confirmed that once again. As chairman of the National Assembly, please tell us what the Ninth National Assembly must do to carry out properly its function as our country's highest organ of state authority.

[Nong Duc Manh] I know that having the confidence of the National Assembly and being elected its chairman is a great honor and also a truly onerous responsibility. I am aware that the Ninth National Assembly is meeting at an important time of the nation and is facing a great challenge: it must carry out victoriously the great task of renovation set forth by the party. In order to fulfill that responsibility, it is necessary first of all to improve the contents and mode of the National Assembly's activity, so that the sessions of the National Assembly can have higher quality, and to enable it to get close to the people, listen to the voice of the people, and resolve the urgent problems that are being posed in all spheres of social life. It is necessary to set forth a program to create a complete system of laws in all spheres. That will be the basis on which to establish the social order.

[SAIGON GIAI PHONG] As regards problems about which the people of Ho Chi Minh City and the nation are concerned—corruption and blackmarketing—in your opinion, what urgent steps will the Ninth National Assembly take to correct them?

[Nong Duc Manh] Corruption, blackmarketing, and social order and security are indeed the most pressing problems with which the nation's people are concerned. The National Assembly will perfect the laws, carry out its oversight function well, and improve the efficiency of the organs managing the laws to eliminate those evils, and will be active, urgent, and resolute. We are determined to eliminate corruption and the other negative phenomena in society.

Anticorruption Emphasized in Renovating, Revamping Party

932E0016A Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 10 Sep 92 pp 1, 5

[Editorial: "Opposing Corruption, An Important Content of Renovating and Rectifying the Party"]

[Text] During the past several years, along with the development of the market economy and the expansion of international trade, our country's economy has developed dynamically and is more efficient. But the market economy has also exacerbated social evils and negative phenomena, especially the evil of corruption, a source of pain for the party and society as a whole. According to incomplete statistics, property lost because of corruption amounts to trillions of dong. That is an enormous sum in comparison to the 3.4 billion dong fund to eliminate hunger and reduce poverty that the city has campaigned for for several months.

But the greatest loss resulting from corruption is not the loss of material wealth. The especially dangerous harm of corruption is the political-social effects that evil has caused. It is not surprising that in the forum of the Eighth National Assembly corruption was correctly called a national shame. During the campaign to contribute opinions to candidates for election to the Ninth National Assembly, many voters were correct when they came up with the formula "bureaucratism plus corruption plus opportunism equals total loss." The evil of corruption causes the degeneration of cadres, like termites that eat away at wood fibers and bore into the party and state apparatus from within. Corruption is the rallying point of selfish individualism, the pragmatic way of life, the trade guild way of thinking, factionalism, and a partialistic, parochial mind. Corruption is also fertile soil for the appearance of poisonous ideological seeds—opportunistic political thoughts of all descriptions. Corruption is also a "golden opportunity," the goal of reactionary powers who bribe, plant the seeds of internal division and disintegration, and even cause the degeneration of party and state cadres. The chain-reaction consequences of such acts are to lower the

prestige of the party and state among the people and weaken their confidence in the party and state.

Opposing corruption is a very important aspect of party building. Therefore, the city has made opposition to corruption one of its major campaigns. In the present situation, with the task of renovating and rectifying the party, opposing corruption must receive special attention. That task must be fully understood by, deeply permeate, and become determination of the part of, the entire party, from the central level down to the local level. Matters of foremost strategic importance are to create an economic-social mechanism to guarantee the effective prevention of conditions giving rise to corruption, correcting the shortcomings in state management, economic management, and the legal system; renovating viewpoints and the working mode in the cadre organization work; and changing the salary system and having a regulatory policy to ensure fairness vis-a-vis income. But a matter of urgency at present is the immediate creation of a mechanism to fight corruption. That mechanism must guarantee that the anticorruption apparatus is sufficiently strong and that the people fighting corruption and of sufficient moral character and are capable of overcoming the barriers of collusion and cover-ups. Of course, the strength of opposition to corruption, in the final analysis, is the strength of the entire party, of the state apparatus, and of the entire political system led by the party. In the party, that strength must be ensured down to the basic party apparatus in strictly maintaining the party's principles regarding democratic centralism and the criticism and self-criticism struggle; in thorough purification; and in continuous struggle, steeling, and cultivation on the part of all party members. Finally, we must mobilize and organize the participation of the people in the struggle against corruption.

Opposing corruption guarantees the purity, and increases the combativeness, of the party, and makes social relations wholesome. Therefore, struggle against corruption is an important task in the great undertaking of renovating and rectifying the party. However, a precondition to fulfilling that difficult and complicated task is determination on the part of the entire party, determination not only in thought but also in action. At present, it is necessary to concentrate on dealing sternly with representative corruption cases and cases that have been criticized in the press and by the public, and to avoid formalism, one-sidedness, and covering-up. That will be the initial basis on which to create trust and encourage party members and the people to participate actively in uncovering, preventing, and repelling corruption.

MILITARY

Navy Deputy Commander Interviewed on Coastal Defense

932E0017A Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 16 Sep 92 p 1

[Interview of Le Van Xuan, deputy commander of the Navy, by Hong Son; date not given: "Defending the

Integrity of the Territorial Waters and Islands of the Homeland Is an Extremely Important Mission".]

[Text] During a work trip to the South, Comrade Le Van Xuan, deputy commander of the Navy, visited SAIGON GIAI PHONG. A SAIGON GIAI PHONG reporter interviewed him on defending the homeland's territorial waters. The contents of the interview follow:

[Hong Song] Please tell us about the significance of our country's territorial waters vis-a-vis the economy.

[Le Van Xuan] Our country's coastline is nearly 3,300 kilometers long, extending from Mong Cai (Quang Ninh) to the cape of Nam Can (Minh Hai). Our country's territorial waters (including territorial waters, islands, and the continental shelf) are three times greater in area than its land area. That is a basis on which we can expand fishing, maritime transportation, commerce, and port services. In the future there will be not just three ports—Saigon, Hai Phong, and Da Nang—that are suitable for international trade, but also such ports as Vung Tau, Quy Nhon, Phan Rang, Rach Gia, and Thanh Hoa, which will be capable of providing regional and international maritime transportation services. The oil-and-gas sector has begun to earn a big income for the national economy. Another maritime sector could easily harvest money: tourism. We have one of the world's marvels, the Bay of Ha Long. In the South, there are the coastal areas of Nha Trang, Con Dao, and Vung Tau, which are very suitable for organizing maritime tourism.

[Hong Song] As a military man, please tell us about the importance of our territorial waters vis-a-vis the strategy of defending the nation.

[Le Van Xuan] In studying the history of our people's resistance to foreign aggression, we see that the sea was a key area which our adversaries often used to attack us. The northern feudalists, and more recently the colonialists and imperialists, have come from that direction. National defense always includes defense on land, in the air, and at sea. At present, with modern military technology it is possible to use landing craft traveling hundreds of kilometers an hour that can go right up to the shore. Therefore, our islands are very important in defending the integrity of our territorial waters.

[Hong Song] Please tell us about combining the economy with national defense at sea.

[Le Van Xuan] Our country's territorial waters are relatively large and long, so only by building national defense by all the people and strong people's war can we maintain our sovereignty and territorial integrity. The goal of combining national defense with the economy in the naval units is to combine economic work with defending the nation's sovereignty at sea, producing material wealth for society while building up the unit's fighting strength. The naval units have begun to do a rather good job of combining those two missions. Every cargo ship and fishing boat of the fishermen may become a fortress at sea to defend the nation's sovereignty. Some

units which exploit natural resources at sea have done a good job of achieving that combination.

[Hong Song] Please introduce to the readers of SAIGON GIAI PHONG some features of the lives of servicemen stationed on islands.

[Le Van Xuan] Due to the severe natural conditions, the servicemen defending the islands live very difficult lives. But they receive the attention and care of the people. For example, recently the servicemen in the Spratly Archipelago have received such friendship gifts from the rear areas as publications, radios, and cassette players. Recently the telecommunications-television sector and the newspaper NHAN DAN gave them two parabolic antenna systems. The cadres and men on the islands, able to view television programs of the central level, are very enthusiastic and feel closer to the rear area.

The material lives of the servicemen in the Spratly Archipelago have been improved. The quality of grain and food products sent to the islands has improved. They can be stored for long periods and meet the needs of the troops. The troops have also organized the growing of greens and have created prospects for meeting the islands' needs for greens. In the past, the troops either did not have vegetables to eat or ate dried vegetables, but now they receive 50 to 100 grams of greens per person per day. They have also raised additional chickens and hogs and have caught fish. The problem of fresh water for the troops is being studied and resolved. The hardships still plaguing the men include wind, storms, heat, rain, and even homesickness.

However, no matter what the difficulties the Navy's mission is to solidly defend the homeland's territorial waters. Defending an area that plays an important strategic role in the economy and national defense is an extremely difficult mission. That mission must be carried out by means of the combined strength of the entire nation, the people, and the people's Armed Forces, of which the People's Navy is the backbone. In order to fulfill that mission, the People's Navy must concentrate on building its forces, improving its quality, and endeavoring to develop into a professional, elite Armed Forces branch that gradually modernizes its equipment. The most important matter is to be absolutely loyal to the party, the homeland, and the people, and have a strategy of combining the economy with national defense.

[Hong Song] I sincerely thank you and would like to extend through you our good wishes and thanks to the servicemen who are defending the distant islands of the homeland.

Troops in Truong Sa Fulfill Duties

932E0014A Hanoi TAP CHI QUOC PHONG TOAN DAN in Vietnamese Aug 92 pp 24-27

[Article by Major Nguyen Ngoc Kim: "Troops on Truong Sa Develop Initiative, Creativity, Unity, and Mutual Assistance To Fulfill Their Duties"]

[Text] Defending the fatherland is the foremost political task of our Army under any circumstances. With regard to the troops on the Truong Sa [Spratly] Islands, to fulfill this task, it has become even more imperative for them to develop initiative, creativity, unity, and mutual assistance. This is because the working conditions, situation, and environment of cadres and combatants on offshore islands are different from those of the units stationed on the mainland.

First of all, everybody, cadres and combatants alike, must strive by all means to encourage, educate, and help one another deeply understand that their political responsibility is to firmly defend the offshore islands of the fatherland. Proceeding from such understanding, they must consciously develop their will and resolve to fulfill their tasks in any situation. This is a matter of particularly important significance to combatants on these faraway islands. Living on the immense open sea, far from the mainland, and cut off from all everyday-life activities... each combatant on the islands must show endurance, outdo himself, persist in his will, and stand firm ideologically in order to fulfill the sacred duty which the people have entrusted to them with confidence, namely the duty to safeguard the integrity of national sovereignty over the seas, the land areas, and the airspace. On the offshore islands, nonsubmerged or submerged alike, whether they live in makeshift or durable barracks, each cadre and combatant satisfactorily play their individual roles in carrying out their political tasks. Although the makeshift houses can accommodate less than a squad, combatants living in them have stood firm in the face of the fury of the elements, refusing to allow themselves to be overwhelmed by loneliness. All combatants stationed at each point on the islands understand that these islands are the beacon of the fatherland and, moreover, a military position where the combatants are entrusted with the concrete tasks of observing, detecting, and notifying the mainland of the activities of all objects, and standing ready to fight when the enemy intrudes and encroaches on our national sovereignty. Here, each cadre and combatant understands the very important role of initiative, creativity, unity, coordination, and mutual assistance in the fulfillment of all tasks, and have consciously and naturally fulfilled these requirements for their own benefit and for that of their comrades in arms. In each concrete deed performed by each person in each specialized field of activities (signal, combustion engines, artillery...) all combatants have noted a close relationship and a common thought: standing firm in the face of the elements, surmounting all difficulties, and resolutely safeguarding the integrity of national sovereignty. It is this sacred task that has bound them together and forged them into a small but highly united collective, with its members loving one another, sharing weal and woe, treating one another even better than they would their own blood brothers. Here, on these offshore islands more than anywhere else, each cadre and combatant have really become very effective ideological workers. Living far from the rear and the mainland, combatants on the islands are not seriously affected by the negative

phenomena in society, but they have to endure numerous deprivations and losses, both material and sentimental; therefore, they understand one another better than anyone else. An uneasy feeling, a faintly disconcerting emotion, a fleeting worry... everything is eventually dispelled by comradeship, by the very sincere care and concern showed for one another by one's comrades in arms. Generally speaking, negative thinking is rarely seen in all units and components. There have been no phenomena of inaction and evasion of duties by individuals that may affect entire units. Every cadre and combatant, whether they are stationed on a large or small island, have come to realize the honor and weighty responsibilities given them by the people with confidence, have constantly upheld vigilance, have smashed all enemy schemes and tricks to safeguard national sovereignty, and have not allowed themselves to be caught off guard.

Political ability and ideological steadfastness must always be reflected in practical actions and in the results of one's efforts to fulfill political tasks. There is no such thing as a combatant capable of satisfactorily fulfilling his tasks despite his ideological vacillation and declining will. This fact is even more evident in the case of each cadre, each combatant stationed on the offshore islands. Normally, to enable their units to fulfill their political tasks, each cadre and combatant must satisfactorily carry out specific responsibilities and duties and must be conversant with the duties of other components and combatants. This is because military activities are special ones requiring a high level of coordination and a high level of unity of thought and action. However, for combatants on the offshore islands, it is not enough just to have a good understanding and a firm grasp of their personal responsibilities and to discharge them well. It is also extremely important that they must understand, firmly grasp, and satisfactorily carry out the responsibilities and duties of their comrades. It is the real situation and concrete tasks that have raised this requirement in an objective fashion. For example, in an Army detachment stationed on the mainland, a heavy-weapons crew member may need to have only a slight knowledge of the duties of a radio operator. But on offshore islands, in particular the reefs, (on which makeshift and durable living quarters are built), if a combatant is familiar with his own duties only, then under certain circumstances his unit might find it difficult to fulfill its tasks. This is because sending supplies, aid... to offshore islands is not as convenient as sending them to units stationed on the mainland. If a radio operator on an offshore island for some reason (illness, for example) cannot perform his duties when it is time to make radio contact with the mainland, then other combatants in the same component must take over his job.

Thanks to their ideological steadfastness and their good understanding of the roles of each individual and of the entire component, generally speaking all combatants on the Truong Sa Islands, when required by circumstances, can satisfactorily assume the duties of their comrades

without feeling confused or unprepared, thereby ensuring fulfillment of their units' duties.

Difficulties, hardships (shortages of drinking water and greens, ferrying of cargo from ship to shore on heavy seas, harsh weather...) has not weakened the will of anyone; on the contrary, it has tempered all cadres and combatants and has enhanced their steadfastness. To overcome these difficulties, each cadre and combatant must have very great endurance. Therefore, encouraging and helping one another satisfactorily discharge their own responsibilities and become conversant with their comrades' responsibilities has become a common practice of the island defenders.

Living on the open sea, directly witnessing the rapid degradation of weapons, equipment, and provisions, every one of the cadres and combatants has felt unhappy about this situation and have done their best to encourage one another to uphold their sense of protection and maintenance. They understand better than anyone else the value of each tonne of cargo, each piece of stone, each round of ammunition... that the people have acquired through economy to send to the islands. They understand that, to build a permanent house on a reef capable of accommodating a squad, our state must expend billions of dong, a sum large enough to finance the construction of a five-story building containing hundreds of apartments on the mainland.

In their everyday-life activities, combatants on the offshore islands always show a high sense of creativity and liveliness and manage to find satisfactory solutions to countless difficult problems. They have found many effective ways to control the degradation of weapons. Under the scorching sun and despite the strong sea winds, green vegetables are growing luxuriantly in wooden trays and crates. Drinking water is consumed sparingly and rationally. On the New Year holiday, the traditional rice cake is still available, and troops still enjoy artistic shows, go out to pick flowers, and hear the New Year greetings from the president of the state.... "The islands are our homes, the sea our birthplace," this statement alone already demonstrates the confidence, the will, the high sense of responsibility, and even the unity and the readiness to help and protect one another of every cadre and combatant on the islands.

Under any circumstances, if the overall strength of any units is to be boosted, it is extremely important to carry out all work uniformly; in particular, ideological work must be closely linked to organizational work and to a satisfactory implementation of various welfare measures and policies.

Concerning welfare measures and policies, our party, state, and Army have worked out concrete policies that reflect the priority treatment given and the no little attention paid to combatants on the offshore islands. Yet, there still remain inadequacies. In view of the effects of the new economic mechanism, a number of state measures and policies that have not been properly

adjusted in time have directly affected the livelihood of the families of cadres and combatants in the rear, particularly those families without support. There have been cases in which combatants have had to stay on for years after completing their tour of duty in the Army, but a policy has not been clearly defined yet to give these soldiers preferential treatment. Although political cadres also serve as commanders on duty, they are not entitled to extra-duty benefits. After completing their tour of duty on the islands and returning to the mainland, cadres and combatants still meet with difficulties (which should not have been allowed to exist) in getting their pay and receiving their standard benefits. There also remain numerous deficiencies in the provision of health care for cadres and combatants during their travels to the islands and back, and so forth.... All this has had no negligible effect on the feelings and thinking of cadres and combatants. It is true that, generally speaking, all cadres and combatants understand that the country still faces many difficulties, but if anything within our capacity is done smoothly, it will have a more positive effect on the thinking and will of combatants on the offshore islands.

Regarding the material bases in support of political, cultural, and spiritual activities and work, the reality of work, study, and everyday life of cadres and combatants on the islands has showed that this is a matter that has a direct effect on the result of political work. Living far from the mainland, combatants on the islands receive all key information from the various programs of the Voice of Vietnam Radio. On a number of large islands (Sinh Ton [Sin Cowe], Nam Yet [Namyit], Song Tu Tay [Southwest Cay], and Truong Sa Lon [Spratly], there are more favorable conditions for news monitoring thanks to the presence of a reception antenna system, which helps bring in the programs of Vietnam Television. Concerning newspapers, in particular daily newspapers, it is apparently impossible to meet the timeliness requirement, because sometimes it takes months for papers to reach the combatants. The wish of the great majority of cadres and combatants on the islands is to have good radio sets and sufficient power supply for their operation. On many islands, the provision of solar batteries for use as a power source for radio sets has proved effective. Books and magazines are indispensable spiritual food, but, generally speaking, are still in short supply and of poor quality. Almost all units have the same request: larger supplies of books and especially TAP CHI VAN NGHE QUAN DOI. As for periodicals, only the weeklies (such as NHAN DAN CHU NHAT and QUAN DOI NHAN DAN THU BAY) are needed.

Those are the wishes, the minimum spiritual needs of troops on the offshore islands—wishes and needs that stem from the reality of their living conditions. I think that it is completely within the capacity of the responsible echelons to satisfy these legitimate wishes of every cadre and combatant. And this will play a no small role in constantly raising the effectiveness of political and ideological work, which is aimed at strengthening the will and resolve of all cadres and combatants who are

striving day and night to fulfill the glorious task entrusted by the party and people with confidence, namely to safeguard the integrity of the fatherland's territorial sovereignty, thereby contributing to the efforts of the entire people and Army in successfully carrying out the building of socialism along the renovation line of the party and firmly defending the socialist fatherland under any circumstances.

Ensuring Logistic Supplies in Defense of Provinces, Cities

932E0014B Hanoi TAP CHI QUOC PHONG TOAN
DAN in Vietnamese Aug 92 pp 46-49

[Article by Senior Colonel Nguyen Thuong Huu: "Further Discussion on the Task of Ensuring Logistic Supplies in Provincial (and City) Defense Zones"]

[Text] In the process of organizing and building provincial and city defense zones and through numerous exercises, we can see that with regard to the task of ensuring logistic supplies alone, there are already many points that need to be discussed. On the general plane, all provinces and cities can easily agree with one another on the fundamental guiding viewpoints and principles..., but many places have showed fairly marked differences in their perception of each problem and in their organization of implementation of specific tasks. This has resulted in a lack of essential cohesion in the organization and development of a combat disposition to ensure logistic supplies in provincial and city defense zones.

Ensuring logistic supplies in provincial and city defense zones should be understood as the principal duty of the logistic forces, which consists in supporting the armed forces in building, training, fighting, and other concrete tasks determined by the upper echelons. If the technical term defense zone logistics is interpreted differently, its meaning may be arbitrarily altered to broaden the notion and substance of logistic support to include the task of ensuring logistic supplies for both the people and the armed forces in defense zones in case of hostilities.

The task of ensuring logistic supplies in defense zones can be generalized as follows: *First*, to ensure logistic supplies for local Armed Forces to develop and provide education and training in combat readiness and carry out other activities in accordance with peacetime regulations, and to fight to firmly protect defense zones in wartime; to be responsible for providing part of materials, technical means, forces... for friendly localities; and to create favorable conditions for and effect coordination of action to ensure logistic supplies for main force units conducting combat operations in defense zones in accordance with Ministry of Defense plans. *Second*, to serve as the staff for party committee echelons, the administration, and various sectors in effecting close coordination between economic building and national defense, and vice versa, and in building a logistic support system in defense zones, with regard to these aspects: rationalizing the organizational and command structure;

creating on-the-spot sources of logistic material supplies in accordance with the market mechanism and laws; studying and proposing the amounts of materials to be kept in reserve for combat-readiness purposes and determining in accordance with the laws the amounts of force, materials, and technical means to be mobilized at various stages of combat readiness and in case of hostilities.

In the first task, we must stress the principal and foremost requirement of ensuring logistic supplies for local forces. These confines are an important foundation in the development of the task of ensuring logistic supplies in defense zones. In the military aspect, the fighting method of defense zones is to combine extensive, constant combat activities with rounds of medium- and small-scale concentrated action, and at the same time, with the combat activities of the main force corps of military regions and the Ministry of Defense, particularly in the main strategic and tactical directions. This operational method is suitable for the capacity of localities to organize defense zone logistic forces and for local on-the-spot logistic potential. But viewed from the socio-economic angle, the local economies, despite their vigorous development, can only ensure fulfillment of this task of the defense zone logistic forces. History of warfare has also showed that on-the-spot logistic forces, no matter how well prepared they are, still cannot meet the demand for supplies for large-scale, continual, protracted combat operations of several main force corps in localities. In the war against the United States, the deployment and material reserves of logistic forces in B2 [region of former South Vietnam extending from Dac Lac Province down to the Ca Mau Peninsula and including Phu Quoc Island] were typical of on-the-spot logistic support preparations, but they were still unable to meet demand during the Ho Chi Minh Campaign.

We should clearly define the above limits so that local military logistic cadres and combatants can clearly see their principal sphere of activity and staff functions, and that the local leadership and provincial and city military commands can clearly determine the principal duty of the defense zone logistic service and avoid assigning too many tasks to the local military logistic forces because this will cause these forces to be scattered and unable to perform their main duty well. If these forces cannot satisfactorily carry out their main task of ensuring logistic supplies for the local Armed Forces operating in their own localities, they will not be able to aid friendly localities and main force units of the upper echelons either.

Viewed from another angle, each fighting method requires a suitable organization of logistic support of its own. In extensive and medium- and small-scale combat activities as well as in joint action of district- and provincial-level local Armed Forces, the organizational and command logistic structures also have their own characteristics, such as the deployment of small-size warehouses containing a mixture of many kinds of material supplies, and the possibility of relying on the grass roots to organize clusters of inter-village combat

logistic units, people's logistic forces.... As for large-scale combat activities involving several main force corps, the task of organizing and commanding logistic support activities will be more complicated, requiring a profound specialized knowledge and a firm grasp of the principles of force organization, deployment of units in formation, and joint efforts of a standardized and modern nature to ensure logistic supplies. Thus, the question here is that we should not mistake the notion of ensuring defense zone logistic supplies for ensuring strategic and campaign logistic supplies. Provision of logistic supplies for main force corps fighting in localities must be mainly relied on strategic logistic forces moving up from the rear, and on the forward campaign and strategic logistic bases set up in advance or deployed by the Ministry of Defense in the process of making preparations for a campaign. Defense zone logistic forces can only meet part of the demand for ordinary material and technical supplies, and help with and create favorable conditions for the deployment of logistic forces of Army corps participating in a campaign. In my opinion, fulfilling this task already requires an extraordinary effort on the part of defense zone logistic forces.

Naturally, in localities, the local logistic forces are responsible for contributing to the fulfillment of a number of tasks of the localities in case of hostilities such as evacuating people, organizing emergency rescue operations.... However, these contributions should be limited to the performance of staff functions and other work to suit the functions and capabilities of the local military logistic forces as stated in **the second task**. If demands for logistic services are made indiscriminately as they were in the recent exercises on the basis of hypothetical situations in some provinces and cities, where local military logistic forces even had to ensure evacuation of 500,000 to 800,000 people, then local military logistic tasks can by no means be fulfilled. Ensuring population evacuation and the people's livelihood cannot be regarded as a duty of the military logistic forces in defense zones. This is a common task of the local party organizations and administrations. If war breaks out, all sectors must assume their own specific responsibilities such as organizing evacuation of cadres, workers, civil servants, and their families, rearranging production and business structures.... In a country at war, all social activities are governed and regulated by the laws of warfare, and any sectors wishing to maintain operation must absolutely be militarized. But, once militarization is done, it would be wrong to regard any work as related to military affairs and assign it to the military. It is precisely for this reason that local party organizations and administrations must clearly delineate the tasks and related duties of each sector in case of hostilities.

Another issue relating to the duties of defense zone logistic forces is the creation, exploitation, and mobilization of on-the-spot logistic potential. The strength of defense zone logistic forces lies in the close combination of the abundant potential of the people's logistic forces and the local Armed Forces' logistic forces on the basis of

local economic development. This strength must also be examined according to the new thinking in order to perceive the potential of defense zone logistic forces and to determine the direction they are to follow to fulfill their tasks. Compared to the period of the war of liberation, the economic potential of various localities have undergone major steps of development, and their capability to ensure logistic support for the conduct of war has become quite significant and diversified. However, in reality, we must also realize that, except for a number of provinces and major cities that have a great capability to ensure on-the-spot logistic support thanks to a developed economy and the stationing of numerous factories, enterprises, and scientific research establishments of the central echelon there, other localities, in particular the mountain regions, have but a very limited capability to ensure logistic support for the conduct of local people's war. This constitutes not a small difficulty we have to face in carrying out the tasks of organizing the provision of logistic support in defense zones at present. Moreover, today, exploitation of on-the-spot logistic capability should not be perceived and carried out in the same way as in the war of liberation. During the anti-U.S. war of resistance, in North Vietnam there existed only two basic economic sectors—the state and collective sectors—which could be mobilized whenever needed simply by the issuance of an order. Nowadays, in the conditions of an economy in which several different economies exist and are equal before the law, such a mobilization cannot be done in an arbitrary fashion. Organizing the mobilization of logistic supplies must be effected in accordance with set plans and the laws to ensure expanded reproduction or to maintain relatively stable production activities, thereby implementing the policy of simultaneously producing and carrying out protracted combat activities.... The laws must also determine whether localities are authorized to mobilize state enterprises and factories, research establishments of the central echelon stationed in these localities, and foreign companies doing business in cooperation with the localities or with the central echelon but stationed in these localities....

In addition to being done according to the laws, mobilization of the people's logistic capability must also be carried out on the basis of voluntariness and the people's love of the fatherland and the regime, their aspirations and wishes, their confidence in victory, and even their economic capacity. That means, on-the-spot logistic potential can be highly and fully mobilized when we pay keen attention to its sociological aspect. Therefore, we should propagandize, agitate, and inculcate the masses with political consciousness so that they may voluntarily contribute their energy to the cause of national defense and comply with the law on mobilizing and ensuring logistic support in defense zones. This is a priceless nutriment that will nurture the inexhaustible logistic capability of the people in each locality as well as in the entire country. If we do not prepare the people for conscious participation in war when the fatherland is in danger and if we do not enjoy strong people's logistic

support, we will have no basis for ensuring logistic support for the conduct of local people's war.

Here, there is another issue to which we should pay attention, namely the need to be accurate and realistic in appraising the local economic potential capable of being mobilized to ensure logistic support for defense zones. For example: Concerning the public health service, the number of hospital beds alone is not a sufficient basis for us to decide how to divide the task of treating wounded and sick soldiers among different units and to evaluate the health care capability of localities; we must also take into account their equipment, drug supplies, the number of good doctors and specialists, particularly specialists in field external medicine, which is highly necessary in war.... Such correct and accurate appraisals are extremely essential. Any slight error may cause confusion and disorder in the task of ensuring logistic supplies in defense zones when complicated situations arise.

ECONOMIC

Article Discusses Smuggling, Local Goods Protection

932E0011A Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 26 Aug 92 p 3

[Article by Le Minh Dao: "Protecting Local Goods—Although Illegal Imports Are Entering Our Country in Many Tricky Ways, We Still Have the Capability To Stop Them"]

[Text] Over the past few years our national economy has operated in accordance with the market mechanism, has initially blended with the world and regional development, and has enabled our country to recover and develop at a heartening pace. Although some hostile forces have not yet renounced their intention of weakening our country, and although the scourge of smuggling, carried out by many organizations and individuals driven by diverse motives and using diverse tricks, has become rampant and has had many negative effects, we have continued to stand firm and develop. Numerous production sectors throughout the country, particularly in Ho Chi Minh City, have turned out many kinds of industrial products in support of production and for public consumption. Products such as electricity, cement, iron and steel, modern medicines, traditional medicines, cosmetics, aluminum, plastic, cloth, garments, household utensils, tobacco, soft drinks... are being turned out in quantities large enough to support production and everyday life and to meet the demand of local consumers. A number of products including ready-made clothes, shoes, leather, large scales, cosmetics... have been exported in large quantities to many countries throughout the world. These initial results have proved that if our state adopts a correct mechanism and policy aimed at encouraging local goods production, our existing potential, techniques, professional skills, capital, and material and technical bases will be exploited, adjusted, and supplemented, and we will be able to

expand production, turn out large quantities of diversified goods for circulation in the domestic market and for integrating our market into the world and regional markets.

It is regrettable that, recently, because of the slowness, oversights, and shortcomings of various sectors at various levels in developing their policy and management mechanisms, the scourges of contraband, illegal goods production, counterfeiting, and unlawful transportation and trading of goods have expanded, allowing illegal imports to pour into our country, cause many difficulties to and even upset and stifle local production. A number of units that were developing have had to stop operating, goods cannot be sold, workers lack jobs, and the state budget suffers huge deficits. In view of this situation, this seminar, organized by SAIGON GIAI PHONG, is a timely, necessary, and welcome effort.

I would like to contribute some opinions as follows:

The editorial carried by NHAN DAN in its 29 July 1992 issue and the opinion expressed by the comrade chairman of the Council of Ministers at the recent National Conference of the Court and Judicial Services affirmed: "Smuggling and corruption are serious and rampant. One of the chief causes of this situation is that the law of the state is not respected, and order and discipline in production, business, and goods production are not scrupulously observed, causing no little damage to production and the people's livelihood. This situation has developed first of all in state and socioeconomic organizations and in forces whose function is to exercise control and supervision." Proceeding from these observations, this seminar can concentrate on the special theme "How have illegally imported goods hurt local goods production and circulation? And what are the necessary and urgent things we should do to effectively cope with this problem once the state has adopted a clearcut, firm policy and attitude?"

Why is it that illegal imports are entering our country in increasingly larger quantities and that our suppression efforts have not yielded the expected results?

—First of all, because we are still unable to ensure the balance between supply and demand in the country, there are still consumers of and a market for illegal imports. This is an objective reality that is not only found in our country but is also rampant in many other developing countries. Right now, there remain some kinds of goods that we still cannot produce such as automobiles, motorcycles, electronics, modern medicines....

—Another equally important cause is the psychology of being fond of foreign goods, despite the fact that many imports are no superior and are in even inferior to local goods in quality (such as ready-made clothes, soft drinks, household utensils....)

—Geographically, our country is in a special position: it shares common borders with neighboring states on

three sides, boasts a long coastline and numerous islands of all sizes located at various distances from the mainland, and has air, sea, land, and rail routes for daily communications with the rest of the world. This characteristic can be easily exploited by smuggling organizations to infiltrate into our country, while it is impossible for us to muster sufficient force within a short period of time to check their activities by means of administrative organizations and measures alone.

—What should be dealt with here is the fact that our state's policies aimed at protecting and developing local goods production, encouraging investment, and regulating on a priority basis the tax rates applied to those essential goods for which there is high demand are not comprehensive and still contain some irrationalities. The people have not yet fully understood that the policy of ensuring local goods production is of vital significance to the country's destiny, and still indulge in their taste for foreign goods regardless of their prices. A number of people have even protected and lent a helping hand to smugglers, counterfeiters....

From the realities of antismuggling work over the past nearly two years we have discovered that the state of contraband and the tricks used fairly commonly by smugglers are the following:

—At present, there is widespread, continual, and large-scale trading in illegally imported and tax-evading goods along the borders between our country and neighboring states. Smugglers have even brought in goods of high value to stifle local production, to attract foreign currencies, to monopolize the market, and sometimes even to serve other ill intentions.

Smugglers have even imported industrial consumer goods produced by foreign countries' local industry but unsalable in overseas markets. These goods, which are even inferior to Vietnamese products in use value, can be sold at low prices because they are illegally imported and no duties are paid on them. Smugglers have also resorted to the tricks of selling contraband on credit, bartering them for Vietnamese goods.... Thanks to these maneuvers, they have been able not only to sell low-value, unmarketable goods... but also to collect valuable products and even rare, precious goods from us without having to pay for them in foreign currencies.

—On the sea routes, there appeared recently a number of cases of international smuggling in which organizations were used to collect goods, control the means of transportation, and bring contraband into the country. Also involved were local agents who took delivery of smuggled goods, sold them inside the country, and then sent out foreign currencies. The bulk of these imports consisted of products the circulation of which was restricted or the importation of which was temporarily suspended. In addition, a number of degenerate people among our sailors and ship crew members have been bought by smuggling ringleaders. These sailors and crew members would bring in contraband

and signal to local smugglers to come out to take delivery on the open sea, thus getting rid of contraband and evading control by responsible organs.

—In the air, on railways and highways, through the postal service... there have been many cases of smuggling in which smuggler acted in collusion with cadres or personnel who were in control of the means of transportation, or with goods-control cadres to legalize contraband or to bring them in surreptitiously, and to send out gold and foreign currencies. Such tricks have been unmasked and contraband has been repeatedly seized, but in reality, we have not been able to completely stop them and the damage they cause is still considerable because this is a high-level, organized form of smuggling.

—Smugglers have fully exploited the loopholes in regulations, have exploited, bribed, or outwitted inspection and control forces to bring in contraband in the form of gifts or goods sent home by Vietnamese working overseas. In one of such cases, one family received in a single consignment hundreds of television sets as "gifts"; and there was an isolated case in which another household received more than 1,200 mechanical plows (this was in fact an unlawful business transaction).

—Smuggling ringleaders stay in the backstage and control smuggling channels. They have used many insidious tricks such as bribery, enticement, and threats and intimidation against members of inspection and control forces and their families, have organized assaults on and caused division and sown suspicion among the various sectors in charge of smuggling suppression in an attempt to weaken our forces. In some places, they have killed or injured cadres, smashed control stations, and seized weapons and personal belongings.

—In addition, there is another dangerous trick that should be mentioned here, namely the production and circulation of faked goods. Last year, counterfeiting of many kinds of goods was repeatedly discovered in the heart of Ho Chi Minh City, Hanoi, and a number of other cities, towns, and townships. In some places, even money, seals, and documents were counterfeited to legalize contraband. This has not only endangered people's lives and health and hurt the results of production and construction but also has raised doubts about the consumption and exportation of local products.

To contribute to pushing forward the development of local goods production and effectively checking the flow of smuggled goods into our country, which has had bad consequences as we can see at present, we would like to propose that the state should immediately adopt special measures to protect local goods production. Specifically, we suggest the following:

—The leadership echelons from the central on down to the grass-roots levels should fully understand the

antismuggling and local goods protection policy. The heads of various sectors and localities must act really firmly and seriously. They should launch a "movement for smuggling suppression and local goods protection" within their organizations and among the masses. By means of concrete, practically effective actions, they must resolutely and severely punished all acts of smuggling, protecting smugglers, and making counterfeit goods, which are detrimental to local production.

—The state should carry out study and promulgate additional practical, realistic, and suitable policies to stimulate the development of local production. It should promptly adjust various regulations and import-export tax rates that are no longer suitable for the new management mechanism in order to create proper conditions for local producers to turn out diversified goods of good quality for sale at prices acceptable to consumers, thereby using local goods to push back foreign goods.

—With regard to the kinds of goods that the people need but we cannot produce yet, such as automobiles, motorcycles, some electronic articles... we should consider allowing their importation in quantities and categories that are essential and appropriate; such importation, however, must be regulated and controlled by taxation. The number of banned imports should be reduced, such as in the case of cigarettes, so that we can concentrate on making each tobacco crop season a success first, then to expand the area of banned imports later.

—There should be a suitable mechanism for contraband suppression. Realities have showed that only by applying realistic, correct management mechanisms will we be able to bring into full play the effectiveness of management organizations and sectors to detect and stop contraband at the beginning. Next, we should uniformly apply various measures, in particular economic measures. Inspection and control forces should uniformly and continually coordinate their efforts with the mobilization of public opinion to launch a broad mass movement to join various tools of dictatorship and state leadership and management organizations in resolutely and fully implementing directives and orders of the upper echelons. To practically protect local production, we should educate, provide equipment for, and protect public opinion-mobilization and inspection and control forces and should develop their effectiveness while unmasking and sternly punishing degenerate and deviant elements and those who, driven by personal or parochial interests, protect or help smugglers and counterfeiters. What should be asserted here is we have the capability to do that.

Transit Role Played in Smuggling Cars to China

932E0010A Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 4 Sep 92 p 2

[Article by Dao Tuan Anh: "Lending a Hand to International Car-Smuggling Ring"]

[Text] Although it was the start of autumn, the mining province of Quang Ninh did not show the scenery of autumn. It was hot and stuffy; the sea was perfectly calm, with no waves disturbing its flat surface. For an entire week there had not been a single drop of rain.

In front of the entrance of the Provincial People's Committee's guesthouse, a young guard, who sat with both feet in a chair, called out as I was walking:

"Where are you going? Are you a driver?"

"No. I am a journalist. I am getting a room and checking in."

"Really?" He sounded a bit surprised and did not seem to believe my words. After a brief moment, as he looked at me from head to toe, he exclaimed: "What kind of vehicle did you ride in that made you look this awful?"

I was startled myself by his mentioning my look and had to look at myself from head to toe: The grey suit that I was wearing had turned dark grey; my wrists and feet showed streaks of blackened dirt. Generally speaking, my appearance did seem to speak ill of me. My readers should understand the guard's feelings because he regularly saw only distinguished-looking guests, the "direct" and "indirect" owners of this large building overlooking the sea.

Hon Gai, the Largest Transit Station of the International Car-Smuggling Ring

I thus unexpectedly stayed right in the den of a transit operation to ship cars to China through the Mong Cai port of entry. In the last several months, mostly after the Council of Ministers had issued an official telegram to prohibit exporting cars under any circumstances, Hon Gai, or by its official name Hong Gai, became a "hot spot" attracting many corporations inside and outside of the province that hoped to "make big money" by providing transporting service to move "transit" cars to their destination. This provincial capital had a network of rather good roads and particularly a deep-water harbor, which had not required any dredging and yet could accommodate large ships like the ones that transported cars from Hong Kong.

From the balcony of my room on the 3rd floor, even a badly nearsighted person could clearly see and count nearly 100 cars of various sizes ranging from four to 12 seats parked "neatly, in straight rows" and occupying the entire large lot. Having seen that I was reading the makes and engine designations of the cars, a "chauffeur" on the balcony of the adjacent room, who was watching the sun set, asked me:

"Do you travel today or tomorrow?"

"I am not a driver. I am a guest here," I answered.

"Too bad. Being a driver currently is an occupation that brings you lots of money." He then told me that for every car he drove to Mong Cai, he was paid a net sum of 500,000 dong (meals and hotel expenses were covered by employers).

That sounded really nice! I thought to myself and figured that driving over a distance of 200 kilometers would still be good inside a car having an air-conditioning system. But it would not be easy! They would need skillful drivers capable of "negotiating" the curves and zigzags of the roads running through mountain passes and driving over pebbles and rocks in the roads having just a very thin layer of asphalt on their surface. He added that drivers would have to pay employers for any scratches caused to the cars.

"For a person who has just taken up this occupation, the amount of money that exceeds the fee paid for transporting the car is usually spent as 'kickback,' but here drivers never are in abundant supply," he confided in me before bidding me goodbye and going into his room to get the needed sleep for the trip the next day.

As I was left alone, I began to recall a chance meeting with a sailor who had just returned to Hon Gai port from a four-month stay at sea. He recounted that his corporation (a sea transportation unit in the South) was specialized in transporting goods between Hong Kong and China. The goods it transported were smuggled ones, of course, like cars, motorcycles having high-cc (cubic centimeters) motors, Japanese television sets, air conditioners, and so on.

"All sea transportation corporations," he had confided in me, "were swarming in Hon Gai in order to take up transporting smuggled goods. I must say it is a very dangerous work. Last month we made three successful trips."

Through his story, I had clearly visualized the scenario of a "transit" car shipment: A "ghost" corporation in China (usually a private one in Guangdong—the province that enjoys preferred import-duty treatment) would sign a cars-purchasing contract with a certain company in Hong Kong, which later would ask a corporation in Quang Ninh to help to transport the cars through the Mong Cai port of entry. Naturally these cars would be transported through the points that the Chinese customs and smuggling-fighting organs could not "touch," for the duty imposed on intercepted cars would be a full 100 percent as it was set for Guangdong, a rate the business people could hardly justify.

This form of "transit" actually was a form of international smuggling involving participation of all three sides. The same sailor had told me that only the "weak" ships would transport cars through Hon Gai port. Many ships would transport cars straight from Hong Kong to

Chinese waters. At a preset point, after having received an agreed signal, our ships would be guided by the Chinese "corporation" to enter a remote port where the goods would be unloaded. As soon as the unloading was completed, the ships would "flee" quickly. How about payment? It would be made again in the form of a "transit" deal between Vietnamese and Chinese goods owners right in Haiphong or Hon Gai. In the guesthouse where I stayed, as many as half of its rooms were reserved for the Chinese car deal "ring leaders." The chauffeur who stayed in the room next to mine was only a "bolt" in the huge car deal machine.

The day I came to Dongxing, the Chinese town adjacent to our town of Mong Cai (now Hai Ninh), a customs official, who had the "duty" of being my guide during my visit to this Chinese locality, introduced me to a deputy chief named Huang who was in charge of "catching" smuggled cars in Guangdong. This Chinese deputy chief told me that only in the previous week Chinese customs had intercepted 26 late-model cars smuggled from Vietnam. The Vietnamese customs official told me that the Chinese deputy chief was the "mortal enemy" of the Chinese car smugglers.

"The other side," he told me, "is more active in 'catching' smuggled cars than we are because they get rewards amounting to 50 percent of the car value."

I did not know if the information was accurate or not, but I was sure of one thing: All of the cars that were "in transit" in Hon Gai had been illegally imported, had evaded duties, and had violated international conventions.

Car-Transporting Service: Good or Bad? Who Is Responsible?

Quang Ninh Province had 15 business and production units having permits issued to them to handle the portion of transporting "transit" cars from Hong Kong to China. According to preliminary data collected by the Hon Gai Port Customs Office, as of 20 August, these units in three months had taken 1,832 cars of all kinds from ships to land, with the "champion" transporter—Ha Long Investment Corporation—having "helped" to move 335 of them. Normally the fee for transporting cars to the border port of entry was 10-15 percent of the car value. If we deducted 2.5 percent being local charges and "based on the law" transit fees, the profit to be made in this transporting service would be around \$1,000 per car. That was not a small amount of money for a locality like Quang Ninh Province being allowed to have a "small border activity."

One thing we were sure about was that the corporations being allowed to handle "transit" goods were solidly based on the wheels that always turned toward the border port of entry. Some people said with strong conviction that Ha Long Investment Corporation had been transformed from a near-bankrupt corporation into the flagship in the Ha Long Bay area thanks to the deals with Chinese car dealers. That was perhaps why the

sailor who had talked to me had said that he was mostly afraid of his ship being caught. Then it would be very troublesome: The ship would be held; fines would be imposed; and a possible diplomatic incident could result from it and threaten to lead to the "collapse" of the entire corporation.

Although the "transit" car-transporting service had all the papers that made it a legal operation, it was illegal. Being asked about the "transit" car issue, the heads of port of entry customs and economic police offices in the province unanimously stated that the "transit" cars actually were smuggled ones. Then what were the measures being taken to stop the international car-smuggling ring from operating? So far none. The province's communications police even issued temporary registration tags for the "transit" cars at the official charge of 7,000 dong (however, some goods owners mentioned the charge of 500,000 dong/shipment). This was an act that violated the "transit" goods regulations issued by the Ministry of Commerce and Tourism (which require that a goods shipment remain sealed and be inspected and moved by customs to the border port of entry).

The economic police chief of Quang Ninh Province, who received me at noon on 29 August, said that since 13 August his men had seized 17 cars in the temporary-import-for-reexport category (six belonged to Vinimex Corporation, Haiphong; five to Tamexco Corporation, Ho Chi Minh City; five to Yen Bai Forest Products Export Corporation; and one to Electrical Projects Corporation, Hanoi).

"We virtually have no 'temporary-import-for-reexport' cars any more," he told me. "And it is really difficult to touch the 'transit' cars because they are equipped with legal documents. We intend to conduct an investigation in regard to these kinds of cars. It would have been nicer had you journalists come to see me later than you did."

I imagined the provincial economic police chief had greatly exaggerated the "reconnaissance and investigation" role of journalists! After I had left his office with a heavy heart, I unexpectedly met an acquaintance in the same transportation vehicle traveling from Mong Cai to Hon Gai. His face was sad. He said to me, in a sad tone: "I bought two locally-made television sets which I intended to resell in my hometown to earn some profit. But they have seized them from me by reason of 'administrative rules handling.' This way I think I should go out and commit murders and robberies (to earn a living)!" Tears filled his eyes as he turned his head to the section of road where dozens of "transit" vehicles were traveling.

Smuggling, Antismuggling Measures Discussed

*932E0012A Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 28 Aug 92 p 5*

[Article by Dang Thien: "Protecting Local Goods: Illegal Imports and Measures To Stop Them"]

[Text] The renovation of the state management mechanism in recent years has prompted a diversified development of the production and business activities of many economic sectors, thereby enabling these sectors to gradually adapt to the market economy and achieve high efficiency. Ho Chi Minh City has made a positive contribution to this achievement. The presence of foreign enterprises, companies, and goods in the city has helped Vietnamese businessmen familiarize themselves with new management methods and improve their equipment in order to produce goods of fine quality and capable of standing up in the fierce competition of the market mechanism.

However, when pitted against illegally imported foreign products, local goods have been dealt a fairly heavy blow. Illegal imports are undermining and gradually killing off local production. State enterprises and private establishments have been forced to close down, to stop producing, or to operate irregularly, causing workers and laborers to lose their jobs. Numerous honest, law-abiding businessmen and importers have been unable to stand up in this unfair competition. Gold, foreign currencies, precious raw materials of the country have been expended in exchange for luxury, nonessential, or surplus and unsalable goods from foreign countries, although there are sufficient local products to meet demand. The losses caused by illegal imports to our national economic and financial systems are obviously enormous.

Smuggling exists everywhere in the world, but probably not in many countries has it become as serious as it is here. This state of affairs is a result of many causes. They are:

- Law and order are not respected. The state has enacted laws and issued other legal documents concerning import-export management (import-export activities through principal channels as well as through cross-border secondary channels), but they have not been scrupulously implemented. International and local smugglers have taken advantage of the loopholes in state laws and management measures, have used the names of other people and agencies, and have hidden under various covers to import goods as gifts or noncommercial products.

- Although the import-export, industrial, and commercial tax policies have been supplemented and revised, they still contain numerous irrationalities and do not really encourage and protect local goods production, thus failing to create proper conditions for local goods to compete with foreign goods. Local products are liable to many kinds of tax, which makes their production cost higher than the cost of importing similar finished products.

- Too many economic units are engaged in import-export activities, but there are no plans and guidelines to help them operate in accordance with the state

master plan for economic development and with international trade laws and practice. Driven by their concern for parochial and immediate interests, these units have imported goods by all means, including evading taxes. Not a few state-operated economic units have served as a shield or a prop for foreign representations and companies to illegally establish residence here so that they can bring goods into Vietnam for trading without paying taxes.

State and Army means of transportation rented out to private individuals for use in transporting contraband have defiantly passed through checkpoints without stopping.

- Market management forces, the customs, the public security and tax services... have not uniformly coordinated with one another in applying control, management, and tax collection measures, and have often been lax and arbitrary in implementing tax policies, causing considerable shortfalls and creating proper conditions for smuggling to persist and expand. Violations uncovered through inspection (just the tip of the iceberg) have not been dealt with in accordance with the law, which resulted in the offenders being fined only for illegal business activities, or in the amount of tax to be collected not being accurately computed in accordance with the amount of goods involved, with the taxable goods prices, or with the tax rates in effect.

- The number of smuggling cases brought to trial have been too small, and their prosecution has not been timely. In 1991, of the 131 smuggling cases prosecuted, only 12 involved cross-border contraband, the rest being cases of trading in banned or counterfeit goods. The court completed the trials of five cases, imposing penalties which were judged by public opinion as not fitting for the seriousness of the offenses and lacking a deterrent effect. A number of cases were subject to administrative penalties, chiefly to a small fine, the purposes of punishment being to provide quick money for rewards, to use revenues to cover expenses, or to fulfill budget contribution quotas.

To effectively check the illegal importation of foreign goods, we would like to suggest the following:

- Irrationalities in the tax, pricing, and import-export management policies should be supplemented or revised to suit the real conditions and situation, to prevent oversights in state management work that could be easily exploited, and, at the same time, to help businesses operate according to the law.

Regulations should be laid down to prevent ambiguity and mix-up between goods imported through main channels and noncommercial merchandise brought in as smuggled, tax-evading goods. We must resolutely confiscate or make importers send back any goods "imported by mistake" above quotas, and must allow neither the payment of fines on nor the legalization of such goods.

With regard to the importation and exportation of goods through secondary channels, we would like to suggest that the Ministry of Commerce and Tourism should publish a list of specific articles the importation of which is prohibited by the state. The state should manage import-export activities by means of quotas in accordance with Council of Ministers Directive 94/CT dated 25 March 1992. Stability must be restored in the organization of trading activities and in travels at border checkpoints. Regulations should also be laid down to control the amounts and value of goods imported or exported across the borders, because those who engage in secondary-channel import-export activities are people living in the border areas.

We should make a general review of the relations between the import-export tax scale and the business tax scale applied in the commodity trade so that we can study, adjust, and make them more rational, and help ensure that the production cost of local goods is not too high in comparison with the prices of imports. We should apply a low import tax rate or give tax exemption to raw materials imported to serve local goods production. Regarding those kinds of goods that can be produced locally with good quality and in sufficient quantities to meet demand, we should ban or restrict their importation by means of high tariff barriers.

We should reorganize the business establishments authorized to engage in import-export activities and concretely determine the functions of each establishment and the kinds of goods each may import or export. An association of importers and exporters should be set up to coordinate their activities. The Ministry of Commerce and Tourism should consider granting import-export quotas, in particular import quotas, on the basis of the master plan for economic development, the situation of goods production and circulation in the country, and the demand for essential goods in each specific period of time. It should determine what kinds of goods to be or not to be imported, and in what quantity... in order to put into effect the policy of protecting local production.

—Management of the cross-border import-export tax collection should be reorganized and tightened and placed under the centralized, unified leadership of a single center; it should not be decentralized and assigned to localities. This is to prevent the possibility of the localities, out of their concern for parochial interests and budget requirements, allowing indiscriminate goods importation or applying the tax policies in an arbitrary fashion (because, according to Council of Ministers Decision 168/HDBT dated 16 May 1992, border provinces are authorized to retain for their local budgets 100 percent of the taxes collected on goods imported or exported through secondary channels).

—State organs and enterprises as well as Army units must observe the regulations on state management of import-export activities in an exemplary manner. They must not allow their legal status, their names,

and their means of transportation to be misused by foreigners and private individuals to carry out smuggling activities. Heads of units must educate their subordinates and assume responsibility for offenses committed by their units and personnel.

—We should continue to vigorously intensify market management and antismuggling inspection and control work. We should organize strong joint control forces, fully equip them with smuggling suppression facilities, and focus their efforts on contraband hotbeds (such as airports, harbors, and railway stations) and main routes leading to and from urban centers. We should mobilize and create moles to help responsible organs uncover and eliminate smuggling channels. Offenses that have been brought to light must be dealt with severely and in strict accordance with the laws.

—At present, smuggled goods, which have not been effectively and completely checked, are edging out local goods, forcing Vietnamese producers to reexamine their production processes, and the enterprises themselves to improve the designs and quality of their products and reduce production cost in their life-and-death struggle against imports.

Decree 114/HDBT dated 7 April 1992 of the Council of Ministers determines that those business establishments producing goods as substitutes for imports (as described in the lists of goods published periodically by the State Planning Commission) shall be considered for business and income tax reduction in the initial period of production. In such cases, if these enterprises are still unable to stay competitive after all measures have been exhausted, we would like to suggest that the central echelon should authorize provinces and municipalities to consider business tax reduction for each specific article produced by these enterprises for a definite period of time not exceeding one half year. This measure should be considered a form of state price support aimed at helping these enterprises to survive.

—We should launch drives to push forward the antismuggling struggle movement. We must consider this a national strategic policy which the people, party members, cadres, and state organs must observe. The mass media should carry articles and news reports to propagandize and promote a sense of opposition to smuggling, point out the dangers of illegal imports, and clearly indicate those kinds of smuggled goods that are of poor quality and unsafe to use to put consumers on guard. We should promptly prosecute and openly, seriously, and justly try all cases of smuggling.

City Holds Conference on Local Goods Production
932E0002B Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 19 Aug 92 pp 1, 5

[Article by Economic Reporter Group: "Conference on 'Protecting Domestically Produced Goods': We Must

Act Together, Tighten Our Ranks, and Prevent Smuggling To Protect Domestically Produced Goods"]

[Text] Yesterday morning, 18 August, the newspaper SAIGON GIAI PHONG held a conference on "Protecting Domestically Produced Goods," to contribute to finding a solution to stopping the encroachment of smuggled foreign goods and to protecting and stimulating the production of goods in Vietnam.

Those attending the conference included Comrade Nguyen Van Huan, vice chairman of the standing committee of the Municipal People's Committee, and representatives of the management and research organs and the production-commercial units, such as the Central Market Management Guidance Committee, the Municipal Market Management Guidance Committee, the Financial Service, the municipal tax and customs services, the Municipal Standards-Measurements-Quality Branch, the Municipal Price Commission, the Ideological-Cultural Committee of the Municipal Party Committee, the Economics Institute, the production and export-import federation of the textiles sector, the Vikino factory, and the Vinapro factory.

Nearly all of the delegates attending the conference, from the point of view of their work, expressed opinions or read speeches to contribute to clarifying the reasons for and evaluate the consequences of the smuggling of foreign goods, and set forth recommendations and positive steps to protect domestically produced products.

In general, the opinions expressed agreed with the observation that the smuggling of large quantities of foreign goods has crowded out domestic products, created difficulties for domestic production, and seriously affected not only the economic sphere but also the situation of political-social security. Stopping the smuggling of foreign goods while encouraging the production of goods in our country is an essential and urgent measure to enable our country's economy to develop stably and solidly.

Analyzing the reason why increasingly larger quantities of smuggled goods have flooded our country, on the basis of their experience in their spheres of work Comrades Le Minh Dao (deputy director of the Central Market Management Guidance Committee), Le Quoc Luong (deputy director of the Municipal Market Management Guidance Committee), Trang Thanh Tan (deputy director of the Municipal Customs Service), and Dang Thien, deputy director of the Municipal Tax Department, stated that it is that our laws have not been strictly enforced. Some specific policies, such as regulations regarding "temporary import and reexport," authorizing the localities to collect export taxes and retain part of the tax money collected, etc., have not only not stopped, but have contributed to encouraging, the smuggling of foreign goods. Some localities, sectors, and state units have, because of their parochial interests, become accomplices who cover up for and assist smugglers of foreign goods and foreigners who evade taxes when bringing goods into the country. A real situation, one that is very worrisome,

is that while smugglers are organized and utilize all schemes and connections to deal in smuggled goods in order to make profits, our inspection and control forces, already "thin," have become weak. In some cases smugglers have been arrested but have been punished too lightly, which has not served to threaten and warn.

The fact that some domestically produced goods are of poor quality and their styles and packaging are bad, but have not been improved (not to mention counterfeit goods), has also contributed to causing consumers to discover foreign goods. Meanwhile, the policies regarding taxes, especially export-import taxes and industrial-commercial taxes, still include many irrationalities and do not serve to regulate the market or protect domestically produced goods.

Commenting further on that subject, Duong Minh Anh Lan (deputy director of the Textiles Production and Export-Import Federation) and Dang Minh Trang, who has an M.A. degree and is director of the Vikimco factory, discussed a large number of irrationalities in the export-import tax schedule vis-a-vis such goods as cultivators, tractors, cloth, milk, sugar, etc., including the fact that the too-small difference between taxes on domestically produced goods and taxes on the importation of goods produced abroad has served to encourage competition between imported goods and domestically produced goods.

How to bring to an end the smuggling of foreign goods and protect domestically produced goods? Before expressing opinions on that topic, Nguyen Mong Hung (director of the Municipal Standards-Measurements-Quality Branch) said that according to tests of the Standards-Measurements-Quality Branch the quality of many consumer goods produced abroad is too low, far inferior to that of domestically produced goods. Recently the Standards-Measurements-Quality Branch announced that the quality of Chinese and Thai electric rice cookers is inferior to that of the Hu Wan electric rice cooker produced in Vietnam, and that the quality of some kinds of foods, confections, internal combustion motors, bicycle parts, etc., is far inferior to the same kinds of products produced by state production installations in Vietnam.

To protect domestically produced goods effectively, the participants agreed unanimously that it is necessary first of all to bring to an end the smuggling of goods. The tax sector must intervene more dynamically, actively, and effectively in restoring order on the market. It must tax very heavily the types of goods that can be produced in Vietnam and "high-level" consumer goods, while also exempting, and even providing price subsidies for, the essential consumer goods. The state must have a policy to protect trade, regulate by means of the exchange rate, manage foreign exchange, etc., to protect and encourage domestically produced consumer goods. The functional sectors, such as the customs, market management, tax, public security, and Army sectors, must cooperate closely and resolutely refrain from helping or tolerating

smugglers. The legal organ must sternly prosecute some cases involving the selling of smuggled goods and violations of the state's economic policy. In addition, the production sectors and installations must invest and improve product quality in order to increasingly meet the quality needs and tastes of consumers.

Comrade Nguyen Van Huan, vice chairman of the Municipal People's Committee, after expressing his agreement with the opinions of the participants, further analyzed the harm done by smuggling foreign goods and regarded fighting smuggling as "an extremely urgent" matter. He appealed for "the sectors, the circles, and the forces to tighten their ranks in order to oppose smuggling and protect domestic production." The vice chairman recommended that the units have specific action programs and uncover the irrationalities in policies and regulations so that the central and municipal echelons can adjust them.

The conference began at 0830 and ended at 1330, with no lunch break. All participants thought it very necessary to coordinate in all regards and close ranks in opposing smuggling. However, in the opinion of Tran Du Lich, a specialist with the Economics Institute and a member of the executive committee of the Municipal Lawyers' Association, there must be a conductor to provide unified leadership for the whole orchestra.

General on Violations in Military Vehicle Use

*932E0002A Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 18 Aug 92 p 2*

[Interview of Major General Nguyen Van Kiep by Hong Sen; place and date not given: "Resolutely Stop Violations in Managing the Use of Military Transportation Facilities"]

[Text] [Hong Sen] Recently many more vehicles with red-numbered license plates have been seen than in the past. As deputy director of the Central Military Organ of Control and the representative of the Ministry of National Defense in the Southern Market Management Board, please comment on that topic.

[Gen. Kiep] At present, two types of military vehicles are authorized for full-time or part-time use in economic work. Vehicles used full-time in economic work have red-numbered license plates beginning with the letter M. Vehicles authorized for part-time use in economic work carry the same license plates as in the past, but are registered in a separate registry. Both types of vehicles must have permits from the competent echelon and while operating must have contracts stipulating the type of cargo, its weight, the origination and destination points, the implementation time, etc.

[Hong Sen] According to public opinion, some of the red-numbered vehicles carrying cargo transport contraband. What is the truth about that?

[Gen. Kiep] In one place or another there have been instances of the driver of an army vehicle—either a professional military person or a national defense worker—taking advantage of the situation to transport smuggled or illegal goods. Acts which aid smugglers and violate the law have been dealt with appropriately.

[Hong Sen] The people are also concerned about private individuals who take advantage of the status of military vehicles to engage in illegal activities.

[Gen. Kiep] In the course of regular inspections the competent organs have discovered and confiscated the afore-mentioned types of vehicles, including vehicles with red-numbered license plates that were leased to and operated by private individuals. There have also been instances of privately owned vehicles that have been registered to carry civilian license plates but whose owners have found ways to form "joint ventures" with an army unit and have rented military license plates. Furthermore, in some cases the vehicle's license plate has expired long ago but its purchaser continues to use the red-numbered license plate. Such vehicles are repaired and reequipped according to arbitrary specifications, with various chassis and engines, and license plates are taken off some vehicles and put on others, to do commercial work in the name of the army. There are also civilian trucks and buses that carry counterfeit military license plates in order to do illegal work. Recently some trucks bearing counterfeit plates and some "renovated" vehicles whose owners had made their own license plates were inspected and confiscated, and arrests were made.

[Hong Sen] What steps has the military sector taken to put an end to that situation?

[Gen. Kiep] I'd like to remind you that on 10 October 1990 the General Staff issued regulation 09-QDTM "Strictly forbidding the leasing of vehicles to organizations and organs outside the army or to private individuals, for the purpose of obtaining money to augment the unit's income. It is strictly forbidden to lend or rent out military license plates to take advantage of the status of military vehicles to evade taxes, which gives rise to many other negative phenomena regarding social order and safety."

[Hong Sen] If there has been nothing but a regulation....

[Gen. Kiep] There is more to it than that. Between September 1990 and the end of 1991, the army units in the South continually inspected red-numbered license plates and discovered and brought to justice more than 200 law violations, such as counterfeit license plates, vehicles transporting contraband, smuggled goods, and untaxed goods, military vehicles driven by civilians, etc. During the first 6 months of 1992 the functional organs inspected, discovered, and brought to justice more than 70 cases, some of which had to be prosecuted in military courts. Some cases were prosecuted jointly by the direct commander.

[Hong Sen] So some of the red-numbered license plates in circulation are being used in correct accordance with regulations, in some cases the vehicle is in violation, some vehicles have genuine license plates, and some vehicles have counterfeit license plates. In the immediate future, what steps will the army take in continuing to prevent such regrettable things from occurring?

[Gen. Kiep] We have published in newspapers the policy of the Ministry of National Defense regarding the primary measures for preventing and stopping the violations: intensifying management and inspection and prompt, strict enforcement. That is the responsibility of commanders at all levels. The commanders of the military regions and corps are strict and resolute in carrying out directives of the upper echelon regarding fighting corruption and smuggling. Recently Military Region 9 conducted a seminar on that task. In Military Region 7 the Command continually admonishes the commanders at all levels, and the competent organs, to carry out the measures to stop the illegal acts in managing the use of transportation facilities.

There are registration lists for the various kinds of vehicles used full-time or part-time in economic work and vehicles used to serve national defense missions. Recently, thanks to the active assistance of the masses the work teams have uncovered and confiscated a number of vehicles bearing false military license plates.

With the goals of protecting the army's fine character and maintaining order and discipline, the task of controlling the military transportation facilities has been maintained on a regular basis, combined with concentrated campaigns. At the same time, all of the other measures have been implemented resolutely. We hope that with the active assistance of the competent organs outside the army and the ardent support and assistance of the people for the army, the kinds of violations mentioned above will be prevented even more effectively.

[Hong Sen] Thank you, comrade.

BIOGRAPHIC

Information on Personalities

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[Editorial Report] The following information on Vietnamese personalities has been extracted from Vietnamese language sources published in Hanoi, unless otherwise indicated. An asterisk indicates that this is the first known press reference to this individual functioning in this capacity.

Vu Tuan Anh [VUX TUAANS ANH] Ph.D. candidate

Director of the Institute of Economics; his article "The Public Economy in Vietnam: Evolution and Solutions" was published in the cited source. (VIETNAM SOCIAL SCIENCES No 2, 1992 pp 18-27)

Vo Tran Chi [VOX TRAA NF CHIS]

Member of the CPV [Communist Party of Vietnam] Central Committee; secretary of the Ho Chi Minh City CPV Committee; on 5 September 1992 he attended the new school year ceremony at Trung Nhat school in Phu Nhuan. (Ho Chi Minh City SAIGON GIAI PHONG 6 Sep 92 p 1)

Pham The Duyet [PHAMJ THEES ZUYEETJ]

Secretary of the CPV Committee, Hanoi Municipality; on 5 September 1992 he visited a school in Hanoi. (HANOI MOI 7 Sep 92 p 2)

Do Ngoc Duong [DOOX NGOCJ ZUWOWNG]

SRV ambassador to Indonesia; on 3 September 1992 he welcomed Chairman of the State Council Vo Chi Cong who was visiting Indonesia. (HANOI MOI 5 Sep 92 p 1)

Ha Quang Du [HAF QUANG ZUWJ]

*Minister in charge of a number of government affairs; first secretary of the Central Committee of the Communist Youth Union; his appointment to the former position—at the suggestion of Prime Minister Vo Van Kiet—was recently approved by the National Assembly. (Ho Chi Minh City TUOI TRE CHU NHAT 4 Oct 92 p 1)

Nguyen Thi Dinh [NGUYEENX THIJ DINHJ], deceased

Vice chairman of the Council of State; member of the Presidium of the Vietnam Fatherland Front Central Committee; honorary president of the Central Executive Committee of the Vietnam Women's Union; chairman of the Vietnam-Cuba Friendship Association; former member of the CPV Central Committee; former deputy commander of the Liberation Forces for the South; former president of the Central Executive Committee of the Vietnam Women's Union; former vice president of the International Democratic Women's Federation; she died on 26 August 1992 in Ho Chi Minh City at the age of 72. (Ho Chi Minh City SAIGON GIAI PHONG 29 Aug 92 p 1)

Hoang Van Hanh [HOANGF VAWN HANHF], Professor

Director of the Institute of Linguistics; professor of linguistics; his article on the formation and development of Vietnamese scientific terminology was published in the cited source. (VIETNAM SOCIAL SCIENCES No 2, 1992 pp 61-68)

Cu Thi Hau [CUF THIJ HAAUJ]

Member of the CPV Central Committee; permanent chairperson of the Vietnam Confederation of Labor Unions; from 15-17 August 1992 she headed a delegation to the Ukraine. (Ho Chi Minh City SAIGON GIAI PHONG 24 Aug 92 p 1)

Truong My Hoa [TRUWOWNG MYX HOA]

Secretary of the CPV Central Committee; *president of the Vietnam Women's Union; her name was on the list of the funeral committee for Mrs. Nguyen Thi Dinh. (Ho Chi Minh City SAIGON GIAI PHONG 29 Sep 92 p 1)

Huynh Cong Hoa [HUYNHF COONG HOAF]

Vice minister of marine products; on 15 Aug 92 he was present at a ceremony where Seaprodex Da Nang received capital for the first time from the Finance and Marine Products Ministries. (Ho Chi Minh City TAP CHI THUONG MAI Sep 1992 p 20)

Le At Hoi [LEE AATS HOWIJ]

Chairman of the Hanoi People's Committee; on 5 September 1992 he visited a school in Hanoi. (HANOI MOI 7 Sep 92 p 1)

Vu Manh Kha [VUX MANHJ KHA]

Vice chairman of the Hanoi People's Council; on 5 September 1992 he visited a school in Hanoi. (HANOI MOI 7 Sep 92 p 1)

Dang Xuan Ky [DAWNGJ XUAAN KYF]

Member of the CPV Central Committee; director of the Research Institute for Marxism, Leninism, and Ho Chi Minh Thoughts; on 11-13 August 1992 he headed a delegation going to a conference in Syria. (NHAN DAN 20 Aug 92 p 4)

Nguyen Vinh Nghiep [NGUYEENX VINHX NGHIEPJ]

On 12 August 1992, by decision of the Council of Ministers, he was relieved of his position as chairman of the Ho Chi Minh City People's Committee for health reasons. (Ho Chi Minh City SAIGON GIAI PHONG 30 Aug 92 p 1)

Tran Nhon [TRAANF NHOWN], M.A.

Vice minister of water conservancy; his article on using computers in cadre management was published in the cited source. (TAP CHI NANG LUONG Jul 92 p 15)

Vuong Huu Nhon [VUWOWNG HUWUX NHOWN]

Vice chairman of the Ho Chi Minh City People's Committee; on 18 August 1992 he attended a special meeting held by the Vietnam Brewery to assess its work. (Ho Chi Minh City SAIGON GIAI PHONG 24 Aug 92 p 1)

Tuong Lai [TUWOWNG LAI], Associate professor

*Director of the Institute of Sociology; his article "Some Problems of Family, Population, and Rural Development" was published in the cited source. (VIETNAM SOCIAL SCIENCES No 2, 1992 pp 55-60)

Le Liem [LEE LIEEM]

Vice minister of energy; on 22 August 1992 he held a press conference on the north-south power lines. (Ho Chi Minh City SAIGON GIAI PHONG 5 Sep 92 p 1)

Pham Xuan Nam [PHAMJ XUAAN NAM]

Editor in chief of the quarterly review VIETNAM SOCIAL SCIENCES; his name was listed on the masthead of the review. (VIETNAM SOCIAL SCIENCES No 2, 1992 inside front cover)

Nguyen Duc Phan [NGUYEENX DUWCS PHAN]

Vice minister of energy; editor in chief of TAP CHI NANG LUONG (published by the Ministry of Energy); his name was listed on the masthead of the cited source. (TAP CHI NANG LUONG Jul 92 p 32)

Nguyen Duy Quy [NGUYEENX ZUY QUYS] Ph.D., Professor

Chairman of the Vietnam National Center for Social Sciences; his article "On the Relations Between Theoretical Work and Social Sciences" was published in the cited source. (VIETNAM SOCIAL SCIENCES No 2, 1992 pp 10-17)

Truong Tan Sang [TRUWOWNG TAANS SANG]

*Acting chairman of the Ho Chi Minh City People's Committee; on 5 September 1992 he visited a school in Ho Chi Minh City. (Ho Chi Minh City SAIGON GIAI PHONG 6 Sep 92 p 1)

Song Thanh [SONG THANHF]

Director of Ho Chi Minh Institute (Institute of Marxism-Leninism); his article "Ho Chi Minh's Thoughts on the Way to Socialism in Vietnam" was published in the cited source. (VIETNAM SOCIAL SCIENCES No 2, 1992 pp 3-9)

Nguyen Huu Thuy [NGUYEENX HUWUX THUYF]

Deputy Chief editor of the quarterly review VIETNAM SOCIAL SCIENCES; his name was listed on the masthead of the review. (VIETNAM SOCIAL SCIENCES No 2, 1992 inside front cover)

Nguyen Dinh Tu [NGUYEENX DINHF TUWS]

Secretary of the CPV Central Committee; director of the CPV Central Committee Education Department; recently he visited a state science institute. (Ho Chi Minh City SAIGON GIAI PHONG 24 Aug 92 p 1)

Krung Dam Veo [KRUNG ZAWM VEO]

*CPV secretary of Gia Lai Province; his article on his province was published in the cited source. (NONG DAN VIETNAM No 18, 25 Sep 92 p 2)

**Dang Nghiem Van [DAWNGJ NGHIEEM VANJ],
Professor**

***Director of the Center for Studies of Religions; professor of ethnology; his article "Religions and Beliefs in Vietnam" was published in the cited source. (VIETNAM SOCIAL SCIENCES No 2, 1992 pp 44-54)**

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